

Date: 6th March, 2024

BSE Limited

1st Floor, New Trading Ring,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
BSE Code: 509550

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

Dear Sir / Madam,

Sub: Submission of the Notice of the 101st Annual General Meeting and the Annual Report of Gammon India Limited for the FY 2022-23

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, please find enclosed herewith the Notice of the 101st Annual General Meeting (AGM) along with the Annual Report of the Company for the Financial Year 2022-23.

The Notice of 101st AGM and Annual Report of the Company for the financial year ended 31st March, 2023 along with login details for joining the 101st AGM through Video Conferencing / Other Audio Video Means facility including e-voting has been sent on 6th March, 2023 through e-mail to all those members whose e-mail addresses were registered with the Company or Registrar and Share Transfer Agent or with their respective Depository Participants in accordance with the MCA Circulars and SEBI Circular, and the same are also available on Company's website (www.gammonindia.com), Stock Exchange's website (www.bseindia.com and www.nseindia.com) and on the website of Link Intime India Private Limited (<https://instameet.linkintime.co.in>).

The AGM is scheduled to be held on Thursday, 28th March, 2023 at 2.30 p.m. through Video Conferencing / Other Audio Visual Means.

This is for your information and records.

Thanking You

For, **Gammon India Limited**



Nirav Shah

Company Secretary & Compliance Officer

GAMMON INDIA LIMITED

Registered Office : Floor 3rd, Plot - 3/8, Hamilton House, J. N. Heredia Marg, Ballard Estate,
Mumbai - 400 038. Maharashtra, India; **Telephone :** +91-22-2270 5562

E-mail : gammon@gammonindia.com | **Website :** www.gammonindia.com

CIN : L74999MH1922PLC000997



GAMMON INDIA LIMITED

CIN: L74999MH1922PLC000997

Regd. Office: Floor 3rd, Plot No - 3/8, Hamilton House, J. N. Heredia Marg, Ballard Estate, Mumbai 400038.

Website: www.gammonindia.com; **Email:** investors@gammonindia.com

Tel.: +91 22 22705562

NOTICE TO SHAREHOLDERS

Notice is hereby given that the **One Hundred and First Annual General Meeting** of Gammon India Limited will be held on Thursday, 28th day of March, 2024 at 2.30 pm via Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023, the Audited Consolidated Financial Statements for the said Financial Year and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Sandeep Sheth (DIN: 08781589), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass the following resolution as an **Ordinary** Resolution:

"Resolved that, pursuant to Section 149, 152 and other applicable provisions, if any, of Companies Act, 2013 ('Act') and the rules made thereunder read with Schedule IV of the Act and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and as per the recommendation of Nomination & Remuneration Committee which was approved by the Board, Mr. Radhakrishnan Nair (DIN: 10521532) who meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director to hold office for a period of 5 (five) years with effect from 28th March, 2024, not liable to retire by rotation;

Resolved further that, the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary appropriate, expedient or desirable to give effect to above resolution."

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved that, pursuant to Section 149, 152 and other applicable provisions, if any, of Companies Act, 2013 ('Act') and the rules made thereunder read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and as per the recommendation of Nomination & Remuneration Committee which was approved by the Board, Mr. Mahendra Ujamshi Shah (DIN: 05359127), who meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director to hold office for a period of 5 (five) years with effect from 28th March, 2024, not liable to retire by rotation;

Resolved further that, the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary appropriate, expedient or desirable to give effect to above resolution."

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

"Resolved that, pursuant to Section 149, 152 and other applicable provisions, if any, of Companies Act, 2013 ('Act') and the rules made thereunder read with Regulation 17A and Schedule IV of the Act and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof and any rules made thereunder, for the time being in force) and as per the recommendation of Nomination & Remuneration Committee which was approved by the Board, Mr. Kashi Nath Chatterjee (DIN: 09160384) who was appointed as an additional director in the category of Independent Director of the Company by the Board of Directors with effect from 3rd May, 2021 and appointed by the shareholders at the Annual General Meeting held on 30th September, 2021, approval of the members of the Company be and is hereby given to Mr. Kashi Nath Chatterjee to continue as an Independent Director of the Company on the same terms and conditions of such appointment as aforesaid ever after attaining the age of 75 years;

Resolved further that, the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary appropriate, expedient or desirable to give effect to above resolution."



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

“Resolved that, pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto (“Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the recommendation and approval of the Nomination And Remuneration Committee, consent of the members of the Company be and is hereby accorded to the revision in the remuneration payable to Mr. Sandeep Sheth, Executive Director of the Company on the terms and conditions as set out in the Explanatory Statement annexed to this Notice (“Terms of Remuneration”), with liberty to the Board of the Company to alter and vary the Terms of Remuneration within the overall limits specified therein;

Resolved further that, the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and in order to give effect to the foregoing resolution, or as may be otherwise considered fit by it in the best interests of the Company.”

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution;

“Resolved that pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the payment of Rs.70,000/- (Rupees Seventy Thousand only) (exclusive of reimbursement of conveyance expenses at actuals and Service Tax/GST as applicable) as approved by the Board of Directors to Mr. Pradip Damania, Cost Auditor (Regn. No: 101607) appointed by the Board of Directors in order to carry out audit of Company’s Cost Records for the Financial Year ending 31st March, 2023.”

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

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

Sandeep Sheth
Executive Director
(DIN: 08781589)

Date: 20th February, 2024

Place: Mumbai

Registered Office:

Floor 3rd Plot No - 3/8, Hamilton House,
J. N. Heredia Marg, Ballard Estate, Mumbai - 400038.



EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

Mr. Radhakrishnan Nair has done Diploma in Civil Engineering from Kerala Technical Education Board (1980). Mr. Nair has an experience of 35 years in planning, executing & spearheading construction projects involving method engineering, development, contract administration, resource planning, adopting modern construction methodologies. Mr. Nair has expertise in liaison with external agencies, clients, architects & consultants on determining technical specifications, approvals for smooth execution, negotiation, award & review of contracts, interpretation of contractual obligations & rights and evaluation of technical / financial problems for management reporting.

At their meetings held on 27th December, 2023, the Nomination And Remuneration Committee and the Board of Directors had recommended appointment of Mr. Radhakrishnan Nair as an Independent Director of the Company at the upcoming Annual General Meeting of the Company.

The Company has received from Mr. Nair, consent in writing to act as director and declaration to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 in prescribed Form DIR - 2 and DIR – 8 respectively.

Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors has reviewed the declaration made by Mr. Nair that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of opinion that he fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and is independent of the management.

The Board considers that appointment of Mr. Nair would be of immense benefit to the Company in view of his qualifications, expertise and experience as also exposure to the corporate culture and governance. The Board of Directors is of the opinion that he is person of integrity; possess relevant expertise and vast experience. His association as Independent Director will be beneficial and in the best interest of the Company. His presence on the Board of the Company enhances value and gives confidence to the Board in its decisions. Further, his association supports a good balance in the composition of the Board. It is desirable to avail services of Mr. Nair as an Independent Director.

In the opinion of the Board, Mr. Nair fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the letter for appointment of Mr. Nair as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company during normal business hours on any working day, excluding public holidays and Sundays.

Accordingly, your approval by way of a ordinary resolution is being sought for Mr. Nair's appointment as Independent Director.

Mr. Radhakrishnan Nair is interested in the resolution pertaining to his appointment as an Independent Director. Relatives of Mr. Nair may be deemed to be concerned or interested in the said resolution to the extent of their shareholding interest, if any, in the Company. None of the other Directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 4

Mr. Mahendra Shah is a civil engineering graduate with multiple post-graduate Diplomas having over 40 years of enriched domestic and international top management level experience in Infrastructure and real estate segments of the construction industry in EPC and BOT modes. Mr. Shah's illustrious journey as a professional has been full of outstanding and exemplary achievements. A dynamic, result-oriented, hard-core professional leader and being commercially savvy; has an insatiable quest to continually engineer sustainable growth in top and bottom lines through strategic Business Development and shouldering profit center responsibility and mentoring the team. Mr. Shah does not hold any equity shares of the Company.

At their meetings held on 27th December, 2023, the Nomination And Remuneration Committee & the Board of Directors had recommended appointment of Mr. Mahendra Shah as an Independent Director of the Company at the upcoming Annual General Meeting of the Company.

The Company has received from Mr. Shah, consent in writing to act as director and declaration to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 in prescribed Form DIR - 2 and DIR – 8 respectively. Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors has reviewed the declaration made by Mr. Shah that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of opinion that he fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and is independent of the management.

The Board considers that appointment of Mr. Shah would be of immense benefit to the Company in view of his qualifications, expertise and experience as also exposure to the corporate culture and governance. The Board of Directors is of the opinion that he is person of integrity; possess relevant expertise and vast experience. His association as Independent Director will be beneficial and in the best interest of the Company. His presence on the Board of the Company enhances value and gives confidence to the



Board in its decisions. Further, his association supports a good balance in the composition of the Board. It is desirable to avail services of Mr. Shah as an Independent Director.

In the opinion of the Board, Mr. Shah fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the letter for appointment of Mr. Shah as an Independent Director setting out the terms and conditions would be available for inspection at the registered office of the Company during normal business hours on any working day, excluding public holidays and Sundays.

Accordingly, your approval by way of an ordinary resolution is being sought for Mr. Shah's appointment as Independent Director.

Mr. Mahendra Shah is interested in the resolution pertaining to his appointment as an Independent Director. Relatives of Mr. Mahendra Shah may be deemed to be concerned or interested in the said resolution to the extent of their shareholding interest, if any, in the Company. None of the other Directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 5

On the recommendation of the Nomination And Remuneration Committee, the Board of Directors had appointed Mr. Kashi Nath Chatterjee (DIN: 09160384) as an Additional Director in the category of an Independent of the Company, not liable to retire by rotation, with effect from 3rd May, 2021 and appointed by the shareholders at the Annual General Meeting held on 30th September, 2021 for a period from 3rd May, 2021 upto 2nd May, 2026.

As per Regulation 17(1A) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, no listed company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Accordingly, your approval by way of a special resolution is being sought for Mr. Chatterjee's continuation as Independent Director.

Mr. Chatterjee is interested in the resolution pertaining to his appointment as an Independent Director. Relatives of Mr. Chatterjee may be deemed to be concerned or interested in the said resolution to the extent of their shareholding interest, if any, in the Company. None of the other Directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 6

Mr. Sandeep Sheth was re-appointed as the Executive Director of the Company for a period of three years w.e.f. 10th August, 2022, by the shareholders at the Annual General Meeting held on 30th September, 2022.

Mr. Sandeep Sheth is an eminent Chartered Accountant having post graduate degrees of Chartered Accountant (ICAI), Company Secretary (ICSI) and Masters in Finance (ICFAI). He has 26 years of rich experience in various industries, post qualification of CA and is associated with the Gammon group since last 15 years. He has also acted as the member of the management team for the Company's strategy, growth, and execution.

He has worked closely with the Board & top management in devising a financial strategy that supported the company's business strategy. He also has in depth knowledge in Accounts, Finance and various laws.

Taking into consideration the roles and responsibilities entrusted to Mr. Sheth and his performance, the Board, based on the recommendation of the Nomination & Remuneration Committee, had at their meeting held on 27th December, 2023, approved the revision in the remuneration payable to Mr. Sandeep Sheth as detailed below:

(Amount in Rs.)

Particulars	Existing Remuneration		Revised Remuneration	
	Per month	Per Annum	Per month	Per Annum
Assumed Basic	1,51,800	18,21,600	1,51,800	18,21,600
HRA	1,51,800	18,21,600	1,51,800	18,21,600
Education Allowance	200	2,400	200	2,400
Special Allowance	66,782	8,01,384	66,782	8,01,384
Sub-Total A	3,70,582	44,46,984	3,70,582	44,46,984
Conveyance Allowance	25,000	3,00,000	25,000	3,00,000
Medical Allowance	1,250	15,000	1,250	15,000
Maintenance Allowance	25,000	3,00,000	71,000	8,52,000
Sub-Total B	51,250	6,15,000	97,250	11,67,000



Particulars	Existing Remuneration		Revised Remuneration	
	Per month	Per Annum	Per month	Per Annum
Annual Benefits				
LTA	12,650	1,51,800	12,650	1,51,800
Bonus / Ex-gratia	-	-	-	-
Sub-Total C	12,650	1,51,800	12,650	1,51,800
Retirement Benefits				
Provident Fund	18,216	2,18,592	18,216	2,18,592
Gratuity	7,302	87,624	7,302	87,624
Sub-Total D	25,518	3,06,216	25,518	3,06,216
Grand Total (A + B + C + D)	4,60,000	55,20,000	5,06,000	60,72,000

PART A:

- (i) Perquisites shall be valued and taxed as per the provisions of the Income Tax Act, 1961.
- (ii) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on remuneration as per Section 197 read with Schedule V of the Companies Act, 2013.

PART B:

(i) Reimbursement of expenses:

Reimbursement of all expenses actually and properly incurred by him in the course of discharging official duties of the Company.

Other terms:

Job Profile	:	During the period of his service with the Company, the Whole-Time Director designated as Executive Director Finance shall:
	:	a) perform, observe and conform to such orders and instructions as may from time to time be reasonably given or communicated to him by the Board of Directors of the Company;
	:	b) in all respects carry out and use his best endeavors in carrying out the objects of the Company diligently and faithfully serve the Company, promote and protect its interest in all things to the best of his ability and judgment, and use his best endeavors to further its interests and to increase its business; and
	:	c) devote the whole of his time and attention to the business of the Company during the normal office and/or working hours of the Company and otherwise as in the opinion of the Board of Directors may be reasonably necessary for the diligent performance of his duties, and shall not in any way be engaged in, concerned directly or indirectly with any other company, business or trade (subsidiaries and associate companies excepted and otherwise than as the holder of shares or debentures in any company) without the consent of the Board of Directors of the Company
Other Terms	:	a) So long as Mr. Sandeep Sheth functions as the Whole-Time Director designated as Executive Director Finance he shall not be paid any sitting fees for attending the Meetings of the Board of Directors or the Committee(s) thereof
	:	b) He shall be liable to retire by rotation
	:	c) He shall be entitled to be compensated for loss of office to the extent permissible under the Companies Act, 2013 if, during the currency of this Agreement, the tenure of his office be determined for reasons other than due to change in the management or necessitated by Strategic Debt Restructuring or those specified in Section 202 of the Companies Act, 2013.
	:	d) His appointment, re-appointment, duties, responsibilities and remuneration shall be in conformity with the Companies Act, 2013 (including any amendment thereto), SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and all such other applicable laws.
	:	e) Such other terms and conditions as may be recommended by the Nomination and Remuneration Committee and as may be approved by the Board.

The aggregate of the remuneration and perquisites / benefits, including contributions towards Provident Fund, Superannuation Fund and Gratuity Fund, payable to the Whole-time Directors of the Company taken together, shall be within the limit prescribed under the Companies Act, 2013, or any amendment thereto or modification thereof ('the Act').



Additional Disclosure as per Part II Section II (B) para (iv) of second proviso of Schedule V of the Companies Act, 2013 are as under:

I. General Information:

1. Nature of Industry: Infrastructure Developer
2. Date of commencement of Commercial production: Not Applicable
3. In case of new companies, expected date of commencement of activities as per project of activities as per project approved by Financial Institutions appearing in the Prospectus: Not Applicable
4. Financial Performance based on given indicators: (Rs. In Crores)

Sr. no.	Particulars	2022-23	2021-22	2020-21
1	Total Income	238.31	41.46	175.24
2	Profit (Loss) before Tax	(907.65)	(1,179.28)	(795.47)
3	Profit (Loss) after Tax	(897.18)	(1,180.51)	(794.72)

5. Foreign Investments or Collaborations, if any:

II. Information About Mr. Sandeep Sheth As Executive Director:

1. Background details:

Mr. Sandeep Sheth is an eminent Chartered Accountant having post graduate degrees of Chartered Accountant (ICAI), Company Secretary (ICSI) and Masters in Finance (ICFAI). He has 26 years of rich experience in various industries, post qualification of CA and is associated with the Gammon group since last 15 years.

2. Past remuneration: (Rs. In Lakhs)

Financial Year	Remuneration Paid
2022-23	34.27

3. Recognition or awards: Nil
4. Job profile and his suitability: He has worked closely with the Board & top management in devising a financial strategy that supported the company's business strategy. He also has in depth knowledge in Accounts, Finance and various laws. He has also acted as the member of the management team for the Company's strategy, growth, and execution.
5. Remuneration proposed: The remuneration payable to Mr. Sheth is revised from Rs.55.20 Lakhs per annum to Rs.60.72 Lakhs per annum.
6. The remuneration paid / proposed to be paid is comparable and competitive, considering the industry size of the Company, the managerial position and taking into account his performance and the role and responsibilities entrusted to him.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any: Except the remuneration and perquisites as stated above, he has no other direct or indirect pecuniary relationship with the Company or Managerial Personnel. Mr. Sheth does not hold any equity shares of the Company.

III. Other Information:

1. Reasons of loss or inadequate profits: The Company's operations have been affected in the last few years by various factors including liquidity crunch, unavailability of resources on timely basis, delays in execution of projects, delays in land acquisition, operational issues etc. The Company's overseas operations are characterized due to weak order booking, paucity of working capital and uncertain business environment. The facilities of the Company with the Secured lenders are presently marked as NPA since June 2017. The liquidity crunch has resulted in several winding up petitions being filed against the Company by various stakeholders for recovery of the debts which the Company has been settling as per the mutually agreed repayment terms. The liquidity crunch is affecting the Company's operation with increasing severity. The Secured lenders have recalled the various facilities, initiated recovery suits in the Debt Recovery Tribunals as well as filing a winding up petition with the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy code. However the secured lenders who had invoked winding up petition has withdrawn the said petition from the Hon'ble National Company Law Tribunal, Mumbai Bench.
2. Steps taken or proposed to be taken for improvement: The Company is in its advanced stage of resolution process and is confident to receive the majority sanction of the consortium of lenders shortly. Further post sanction of resolution plan and subsequent to the investor infusing further funds in the company, the company is sure to revive as an EPC Company. Although realization of the arbitration awards continues to remain a big challenge the company and its management strives its best to obtain the awards proceeds expeditiously to enable the lenders and its other customer endeavour its faith back in the company.



3. Expected increase in productivity and profits in measurable terms: During the Financial Year 2022-23, the turnover of the Company on a Standalone basis stood at Rs.101.48 Crores (PY Rs.27.66 Crores). During the Financial Year 2022-23, the Company posted a Net Loss after Tax of Rs.1,540.08 Crores (PY Rs.1,085.75 Crores). On a Consolidated basis, the turnover of Gammon Group during the FY 2022-23 stood at Rs.115.05 Crores (PY Rs.27.85 Crores) and the Group posted a Net Loss after Tax of Rs.897.18 Crores (PY Rs.1,180.51 Crores).
4. Since Mr. Sheth shall draw remuneration from the Company, prior approval of the lenders of the Company has been obtained before obtaining the approval in the general meeting in compliance of Schedule V to the Companies Act, 2013. Accordingly, your approval by way of a special resolution is being sought for revision in remuneration of Mr. Sheth as Executive Director.

Mr. Sheth is interested in the resolution pertaining to revision of his remuneration as an Executive Director. Relatives of Mr. Sheth may be deemed to be concerned or interested in the said resolution to the extent of their shareholding interest, if any, in the Company. None of the other Directors or key managerial personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

Item No. 7

Members are hereby informed that the Board on the recommendation of the Audit Committee appointed Mr. Pradip Damania, Cost Accountant (Membership No. 101607) as the Cost Auditor of the Company for the Financial Year 2022-23 in order to conduct audit of Cost Accounting Records maintained by the Company in respect of the Company's Civil Engineering, Procurement and Construction business at a remuneration of Rs.70,000/- (Rupees Seventy Thousand only) per annum exclusive of reimbursement of conveyance expenses at actuals and Service Tax/GST as applicable.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders.

The Board recommends the passing of the Ordinary Resolution at Item No. 7 of the accompanying Notice for Members approval. None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the above resolution.

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

Sandeep Sheth
Executive Director
(DIN: 08781589)

Date: 20th February, 2024

Place: Mumbai

Registered Office:

Floor 3rd Plot No - 3/8, Hamilton House,
J.N. Heredia Marg, Ballard Estate, Mumbai - 400038.



ANNEXURE

DETAILS PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

Name of Director	Mr. Radhakrishnan Nair	Mr. Mahendra Shah	Mr. Kashi Nath Chatterjee
Date of Birth & Age (in years)	18/05/1959 (64 years)	06/12/1955 (68 years)	11/08/1949 (74 years)
Date of First Appointment on Board	--	--	3 rd May, 2021
Qualification	Mr. Radhakrishnan Nair has done Diploma in Civil Engineering from Kerala Technical Education Board (1980)	B.E. (CIVIL), Gujarat University Diploma in Finance Management and Operations Research for Management, Bombay University PG Diploma in Construction Management, NICMAR Adv. Diploma in EKS from Baroda Productivity Council Diploma in Basic Finance, ICFAI	B. Tech from IIT, Kanpur Civil Engineering, Kolkata
Number of shares held	Nil	Nil	Nil
Expertise in specific functional areas	Project Planning & Management, Contract Administration & Management, Site & Construction Management / Resource Planning	Construction of Bridges & Marine Structures, High Rise Buildings & Real Estate integrated townships, Roads and Infrastructure Projects, Business Development & Tender Negotiation, Corporate Strategic Planning & Finance Management, Procurement of High-Value Materials and Equipment from domestic and international market, Contract Administration, Claim Management and Arbitration	Profound knowledge and high professional expertise and experience in the construction & management of bridges, highways, arbitration references & DRB in contracts, handling arbitrations in engineering contracts
Directorships held in other listed companies	Nil	Nil	Nil
Committee Positions held in other companies (Audit & Stakeholders Relationship) held in other companies	Nil	Nil	Nil

NOTES:

1. VIRTUAL MEETING

In view of circulars issued by the Ministry of Corporate Affairs (“MCA”) vide General Circular nos. 14/2020, 17/2020, 39/2020, 20/2021, 3/2022 and 09/2023 dated April 8, 2020, April 13, 2020, December 31, 2020, December 8, 2021, May 5, 2022 and September 25, 2023 respectively, the forthcoming Annual General Meeting (‘AGM’) will be held through video conferencing (‘VC’) or other audio visual means (‘OAVM’). Hence, members can attend and participate in the ensuing AGM through VC / OAVM.

Further, the Securities and Exchange Board of India (“SEBI”) vide its Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (“SEBI Circular”) has granted further relaxations to ensure the AGM is conducted effectively. In compliance with the provisions of the Act, SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC/ OAVM.

The deemed venue for the AGM will be place from where the Chairman of the Board conducts the meeting. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.



2. ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING

- a) The AGM has been convened through VC / OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA General Circular nos. 14/2020, 17/2020, 39/2020, 20/2021, 3/2022 and 09/2023 dated April 8, 2020, April 13, 2020, December 31, 2020, December 8, 2021, May 5, 2022 and September 25, 2023, respectively. In view of the afore-mentioned general circulars, the Notice of the AGM is being sent to the members of the Company only by email. It is clarified that if a member fails to provide or update relevant e-mail address to the Company or to the depository participant, as the case may be the Company will not be in default for not delivering the notice via e-mail.
- b) Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.gammonindia.com websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and website of Link Intime India Private Limited ("LI IPL") i.e. www.instavote.linkintime.co.in.

3. STATEMENT UNDER SECTION 102 OF THE ACT

The Explanatory Statement in terms of the provisions of Section 102(1) of the Act, which sets out details relating to special business to be transacted at the meeting forms part of this notice.

4. PROXY

The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

5. AUTHORISED REPRESENTATIVE

Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to Mr. Mitesh Shah at team@mjshah.com with a copy marked to the Company Secretary at investors@gammonindia.com, not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 2:30 p.m. on Tuesday, 26th March, 2024.

6. DOCUMENTS OPEN FOR INSPECTION

Relevant documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Act, are uploaded on the website of the Company at: www.gammonindia.com.

Documents required to be kept open for inspection by the Members at the AGM in terms of the applicable laws, shall be made available on www.instameet.linkintime.co.in.

7. E-VOTING

Pursuant to Section 108 of the Act, rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the resolutions proposed to be passed at AGM, by electronic means.

The Company has engaged the services of LI IPL to provide the remote e-voting facility on InstaVote and the e-voting system on the date of the AGM on InstaMeet.

The Company has appointed Mr. Mitesh Shah, Company Secretaries (FCS No. 10070), to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and e-voting at the AGM) in a fair and transparent manner.

8. TRANSFER OF UNPAID / UNCLAIMED DIVIDEND AND RELATED SHARES TO IEPF

The Company did not pay any amount as dividend since the financial year 2012-13 onwards. Hence there is no pending dividend which is outstanding to be transferred to IEPF authorities pursuant to the provisions of Section 124 of the Companies Act, 2013.



9. E-VOTING

REMOTE E-VOTING: IMPORTANT DATES

Cut-off date : For determining the Members entitled to vote on the resolutions set forth in this notice.	Thursday, 21st March, 2024
Remote e-voting period During this period shareholders' of the Company, holding shares, as on the cut-off date (record date) of 9 th February, 2024 may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.	Commence from: Monday, 25th March, 2024 End at Wednesday, 27th March, 2024
URL for remote e-voting	https://instavote.linkintime.co.in

Remote E-Voting for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- Visit URL: <https://eservices.nsd.com> and click on "Beneficial Owner" icon under "Login".
- Enter user id and password. Post successful authentication, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- To register, visit URL: <https://eservices.nsd.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- Proceed with updating the required fields.
- Post registration, user will be provided with Login ID and password.
- After successful login, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- Visit URL: <https://www.evoting.nsd.com/>
- Click on the "Login" tab available under 'Shareholder/Member' section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

- Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- Click on New System Myeasi
- Login with user id and password
- After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.



OR

Users who have not registered for CDSL Easi/Easiest facility.

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

- A. **User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
- B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
- D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders/ members holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

1. Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
2. Click "confirm" (Your password is now generated).
3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).



4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

Guidelines for Institutional shareholders:

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
 - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. 'Investor's Name' - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
 - e) Click on Submit button and investor will be mapped now.
 - f) The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.



- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders are having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.



InstaVote Support Desk

Link Intime India Private Limited

Process and manner for attending the Annual General Meeting through InstaMeet:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.

- Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on investors@gammonindia.com .
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.



Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

The screenshot shows the Webex website's download page. The top navigation bar includes the Cisco Webex logo, menu items for Solutions, Webex Devices, Plans & Pricing, and Learn, along with search, host, join, sign in, and a 'Start for Free' button. The main content is split into two columns: 'Webex Meetings' and 'Webex Teams'. The 'Webex Meetings' column lists features like HD video, flexible audio, and screen sharing, with a blue arrow pointing to the 'Download for Windows' button. The 'Webex Teams' column lists features like one-on-one messaging, whiteboarding, and video calling, with a blue arrow pointing to the 'Download Teams VDI' button. Below these are three numbered steps: Step 1 (Download), Step 2 (Setup), and Step 3 (Launch). A final instruction says 'To open the app double-click the Webex Meetings icon on your desktop.' Below this is a Windows file explorer dialog box for 'webexapp.msi (88.1 MB)' with the 'Run' button highlighted by a blue arrow.



Step 1
Double-click the webexapp.msi file downloaded

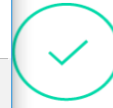
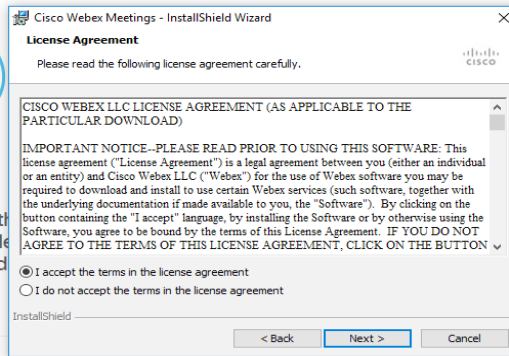


Step 3
Once installed app will launch automatically.

To open the app double-click the Webex Meetings icon on your



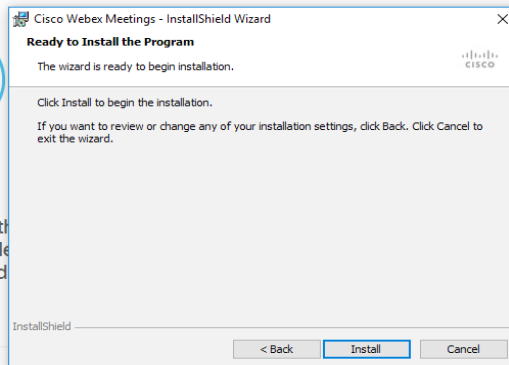
Step 1
Double-click the webexapp.msi file downloaded



Step 3
Once installed app will launch automatically.



Step 1
Double-click the webexapp.msi file downloaded



Step 3
Once installed app will launch automatically.



or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> . Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



Event Information:

Event status:
 Date and time:
 Duration:
 Description:

By joining this event, you are accepting the Cisco Webex [Terms of Service](#) and [Privacy Statement](#).

English : Mumbai Time

Join Event Now

You cannot join the event now because it has not started.

First name:

Last name:

Email address:

Event password:

[Join by browser](#) **NEW!**

If you are the host, [start your event](#).

Mention your First name, Last name and email address

Join Now

101ST

**ANNUAL REPORT
2022-2023**



GAMMON INDIA LIMITED



CORPORATE INFORMATION

Board and Management Team

Mr. Sandeep Sheth
Executive Director

Mr. Soumendra Nath Sanyal
Independent Director

Mr. Ulhas Dharmadhikari
Independent Director

Ms. Vinath Hegde
Independent Director

Mr. Kashi Nath Chatterjee
Independent Director

Mr. Anurag Choudhry
Chief Financial Officer

Mr. Ajit B. Desai
Chief Executive Officer

Ms. Niki Shingade
Company Secretary
(Till 12th December, 2023)

Mr. Nirav Shah
Company Secretary
(w.e.f. 1st January, 2024)

AUDITORS

M/s. Natvarlal Vepari & Co.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited, C 101, 247 Park,
L B S Marg, Vikhroli West, Mumbai 400 083
Tel No: +91 22 49186000
Fax: +91 22 49186060
E-mail : mumbai@linkintime.co.in

BANKERS/FINANCIAL INSTITUTIONS

IDBI Bank Limited
Bank of Baroda
Canara Bank
ICICI Bank Limited
Union Bank of India
Life Insurance Corporation of India
Bank of Maharashtra
Punjab National Bank
United India Insurance Corporation
DBS Bank Limited
General Insurance Corporation
Central Bank
Indian Bank Limited
Karnataka Bank

REGISTERED OFFICE

Floor 3rd, Plot No - 3/8, Hamilton House,
J.N. Heredia Marg, Ballard Estate,
Mumbai 400038, Maharashtra, India.
Telephone: +91-22-22705562
E-mail Id: investors@gammonindia.com
Website: www.gammonindia.com

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Report on Corporate Governance
Financial Statements (Standalone)
Financial Statements (Consolidated).....

ABOUT GAMMON GROUP

Gammon India Ltd., has been established in the Construction field and well known Engineering Contractors since 1922 covering a broad spectrum of activities throughout India and abroad and has executed throughout the last 99 years. These include structures like Gateway of India to modern Reactor Building at Kalpakkam projects, Water carrying Malabar Hill tunnel to a large size tunnel for Hydro Electric projects at Rampur, from small span bridge in the remote area in the country to over 5 km long bridge across the mighty Brahmaputra like Bogibeel Bridge etc.

Gammon's contribution to the Nation building in every field like Power Sector, Transportation, Ports, Hydro Electric projects, Industrial projects etc. is across the length and breadth of the Company. Gammon had believed in Atma Nirbhar Bharat since its inception and brought all the present day technology to the country towards Nation building.

Every Industry/Sector has its ups and downs. Gammon is also subject to such variable and it has affected its performance post 2013 due to economic recession and certain shift in policies. The Company had posted losses for the 1st time after nearly 80 years and giving constant dividend for approx. 40 years to shareholders. Pursuant to the inability of Gammon to repay its lenders the Company was admitted to the Corporate Debt Restructuring ('CDR'). Thereafter in November 2015, lenders approved the scheme of corporate realignment and SDR. Under SDR, a part of debt was converted into equity thereby giving lenders approx. 62% equity stake in GIL. Further pursuant to RBI Circular dated 7th June, 2019, all the lenders of the Company executed an Intercreditor Agreement (ICA) in 2019. Post execution of the ICA the Company submitted its draft resolution plan to the lenders including restructuring and change in ownership. The resolution plan is in its advanced stages and the Company is confident to receive the majority sanction of the consortium of lenders shortly. With the new investor investing further funds in the Company, the Company will soon revive as an EPC Company. The Company has been making every effort in settling the outstanding Secured lenders dues. Under severe financial conditions, Gammon continued to operate in Irrigation, Metro and Water Supply projects.

Gammon continued to hold strategic Italy-based Sofinter Group. The Group is engaged in the engineering, procurement and construction of steam and power generation boilers, water and waste treatment and flameless combustion technology with application in oil & gas, power generation and industrial sector. Sofinter S.p.A., A.C. Boilers S.p.A (for Ansaldo Caldaie S.p.A), ITEA and Europower are some companies under the Group. The Company has a substantial stake in Puma Oil Block in the Oriente basin in Ecuador Prevailing cash flow constraints has affected international business too.

At present the Company's main focus is to meet the Bank obligations so that it can bounce back in the field of:

- Transportation (highways, railways, ports, bridges & flyovers).
- Power Generation (thermal, industrial and cogeneration plants, nuclear and hydro energy, cooling towers and chimneys)
- Environmental engineering
- Irrigation and water supply
- Oil Exploration and Production
- Real Estate Development



EXECUTIVE DIRECTOR'S STATEMENT:

I am pleased to present the 101st Annual Report of Gammon India Limited for the Financial Year ended 31st March 2023.

The previous financial year 2021-22 was challenging for the entire industry specifically for your Company. Your Company continued to remain NPA though struggling to get required sanctions from the consortium of banks/lenders.

The Company's operations have been affected in the last few years by various factors including liquidity crunch, unavailability of resources on timely basis, delays in execution of projects, delays in land acquisition, operational issues etc. The Company's overseas operations are characterized due to weak order booking, paucity of working capital and uncertain business environment. The facilities of the Company with the Secured lenders are presently marked as NPA since June 2017. The liquidity crunch has resulted in several winding up petitions being filed against the Company by various stakeholders for recovery of the debts which the Company has been settling as per the mutually agreed repayment terms. The liquidity crunch is affecting the Company's operation with increasing severity. The Secured lenders have recalled the various facilities, initiated recovery suits in the Debt Recovery Tribunals as well as filing a winding up petition with the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy code. However the secured lenders who had invoked winding up petition has withdrawn the said petition from the Hon'ble National Company Law Tribunal, Mumbai Bench.

Going Forward

The Company is in its advanced stage of resolution process and is confident to receive the majority sanction of the consortium of lenders shortly. Further post sanction of resolution plan and subsequent to the investor infusing further funds in the Company, the Company is sure to revive as an EPC Company. Although realization of the arbitration awards continues to remain a big challenge the Company and its management strives its best to obtain the awards proceeds expeditiously to enable the lenders and its other customer endeavour its faith back in the Company.

Performance review

The year under review is a period of 12 (twelve) months commencing from 1st April, 2022 and ending on 31st March, 2023 ("**Financial Year**"). During the Financial Year under review the Turnover of the Company on a Standalone basis stood at ₹ 101.48 crores, as compared to ₹ 27.66 crores during the previous F.Y. ended 31st March, 2022. The Company posted a Net Loss after Tax of ₹ 1540.08 crores during the year ended 31st March, 2023, as against a Net Loss after Tax of ₹ 1085.75 crores during the previous FY ended 31st March, 2022.

On a Consolidated basis, the Turnover of Gammon Group during the year under review stood at ₹ 115.05 crores as compared to ₹27.85 crores for the previous financial year ended 31st March, 2022. The Group posted a Net Loss after Tax of Rs. 897.18 crores during the F.Y. ended 31st March 2023, as against a Net Loss after Tax of ₹1180.51 crores during the previous F.Y. ended 31st March, 2022. Interest and finance costs continue to be high. The turnover/income is from the residual EPC business, post carve out of the operating business. During the year under review the finance cost which includes the interest costs was ₹813.29 crores. The loss was primarily due to the provisions made for the Company's funded and non-funded exposure of loans and investments, the details of which is provided in note no. 27 of the standalone financial statements.

ACKNOWLEDGEMENTS

I would like to extend my heartfelt gratitude to all our stakeholders, our lenders and bankers, suppliers, employees, and shareholders for their continued support and the faith reposed in us.

We look forward to better times ahead and will continue to focus on achieving our stated goals with sincerity and dedication.

With Best Wishes

Sandeep Sheth

Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS

The last decade of century of Gammon India Ltd was a roller coaster ride. It has witnessed financial Tsunami, Economic slowdown, change of policies, covid pandemic and many other challenges. The organization resilience and Management's will power has kept the Company going. From the tag of Builders to the Nation, the Company's focus restricted to resolve the stake holders issues. From a exciting expertise of 5000 people based, the Company has now shrunk to its root level and mitigating the challenges encountered by the Company.

No Company can survive with the past glory. Those past glory of technical innovations, land mark structures, bridging mighty rivers etc. are the back bone and knowledge bases for the new beginning for the next century. The basic four pillars of the organization namely Customers, Stake Holders, Technology Innovation and Human Resources will be the guiding principles for the future. The past learning has thought us "Cash is the King" and it will remain the main focus for the future.

CUSTOMER FOCUS

Unlike manufacturing facilities, we sell the products before making it. As a result we become more responsible for the delivery which satisfies the customers. We have witnessed in the last century that it is one of the best marketing tool for the growth of the organization. We will remain very much focus in meeting the challenging requirement of the Customers. We have demonstrated in the past that in majority of the cases, we have never deserted even in the worst natural calamities as well as in worst man made situation

FOCUS ON STAKE HOLDERS

Without satisfying stake holders we cannot survive, be it Bankers, Creditors, Share Holders, Associates, individuals or Institutes. Our focus will remain to satisfy all the stake holders. In past couple of years, the Company has demonstrated it by hiving of business, monetizing of assets etc. just to meet the Lenders' requirement.

FOCUS ON TECHNOLOGY AND INNOVATION

Many of Gammon's first of the last century needs to be re-written in the current century, with help of Information Technology. Gammon will upgrade its knowledge base and adopt modern technology and innovate further to meet the Indian conditions. Such adoption and innovation is the integral part of Gammon DNA.

HUMAN RESOURCES

Human Resources is the biggest assets of any organization. They are not just employees but they are the part of the Gammon family. Having shrunk to the bases level after the turbulent years of crisis, the Company is ready to build its strength by employing dedicated staff. During those crisis years, it is the never die spirit of those few Gammonites, which has helped the Company to meets it all obligations.

CASH IS KING

To survive in this severe competition amongst adverse adversities, it is most important to have proper cash management. This is achieved with optimum operational efficiency such as better inventory management, vigorous follow up for the receivables and optimizing wastages.

INDIAN ECONOMY

India is heading towards 3rd largest economy of the world under dynamic leadership. The Construction Industries will play a major role in meeting the targets. The Government's initiative for infrastructures, public utility, manufacturing sectors etc. has opened a lot many opportunities for the Construction sectors in the country. A timely delivery with optimum cost will give the age to the Company. The Government budget provides trillion of rupees for the Infrastructure structures under various schemes announced by the Hon'ble Prime Minister. The Hon'ble Prime Minister has always maintained that there is no derth of funds for the Infrastructure projects and his target of National grid covering all the districts remain very much in action. The Company will definitely have his share of the work in all those projects once its Resolution plan gets approval from the Lenders.

OPERATION OF THE COMPANY

The Company is in the last leg of its resolution plan which had a setback due to pandemic, the Company is trying its best to come out of the setback and the liquidity crunch faced in the last couple of years. The Company's main focus continues to be regularizing their accounts along with progress of the current project.

Arbitration process persists at a slow pace. However, the Company remains focused to ensure timely proceedings of the on-going arbitration matters. As an austerity measure, the Company has substantially scaled down its establishment and man power cost and adopted a lean and thin organization structure. The Company is in the process of gearing up to accept the opportunities thrown open by the Government of India.



REVIEW OF THE FINANCIAL PERFORMANCE

During the Financial Year the Turnover of the Company on a Standalone basis stood at ₹ 101.48 crores, as compared to ₹ 27.66 crores during the previous F.Y. ended 31st March, 2022. The Company posted a Net Loss after Tax of ₹ 1540.08 crores during the Financial Year, as against a Net Loss after Tax of ₹ 1085.75 crores during the previous FY ended 31st March, 2022.

On a Consolidated basis, the Turnover of Gammon Group during the Financial Year stood at ₹ 115.05 crores as compared to ₹27.85 crores for the previous financial year ended 31st March, 2022. The Group posted a Net Loss after Tax of Rs. 897.18 crores during the Current Financial Year, as against a Net Loss after Tax of ₹1180.51 crores during the previous F.Y. ended 31st March, 2022. Interest and finance costs continue to be high. The turnover/income is from the residual EPC business, post carve out of the operating business. During the Current Financial Year the finance cost which includes the interest costs was ₹813.29 crores. The loss was primarily due to the provisions made for the Company's funded and non-funded exposure of loans and investments, the details of which is provided in note no. 27 of the standalone financial statements.

MANAGING RISK

The Construction Industry in general has risk on many accounts such as:

- 1) Right of way
- 2) Geological condition variance
- 3) Law and Order Situation of the Location
- 4) Lack of fund allocation and subsequent delay in collection
- 5) Time overrun due to force majeure conditions
- 6) Increased working capital cycle due to above
- 7) Delay in dispute resolution with the client etc.

The Company is in the last leg of salvaging its value and restarting core business. At this stage the risk are mitigated by:

Restricted business is limited to in-house expertise

- 1) Sub-letting the projects on back to back basis
- 2) Restricting the role to Project Management only
- 3) Early contractual and legal actions for all contract related matters
- 4) Periodic structured review of the projects on on-going basis to identify the challenges and the risks and to find the possible solution to mitigate the losses.

On the occasion of beginning of the Company's new century, we take this opportunity to thank our esteemed customers, associates and partners, bankers, vendors and subcontractors, friends, well-wishers and our large fraternity of Gammonites for their untiring support bestowed upon us.

STATEMENT CAUTIONARY

Statements made in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statement' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied.

Important factors that could make a difference to the Company's operation include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax law and other statutes and other incidental factors.

Directors' Report

To,

The Members of Gammon India Limited,

Your Directors have pleasure in presenting their 101st Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 ("Financial Year"), together with the Statutory Auditors Report thereon.

1. Review of Financial and Operational Performance: (₹ in crores)

Particulars	Standalone		Consolidated	
	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022	For the Financial Year ended March 31, 2023	For the Financial Year ended March 31, 2022
Profit before Other Income, Depreciation and Interest	(758.17)	(384.31)	(63.34)	(318.63)
Add:				
Other Income	21.96	25.27	123.26	13.61
Less:				
Depreciation	2.14	3.61	2.22	3.70
Interest	813.29	721.90	965.35	870.56
Profit/(Loss) before Tax	(1551.63)	(1084.55)	(946.95)	(1179.71)
Less:				
Provision for Taxation	(11.55)	1.20	(10.47)	1.23
Profit/(Loss) after Tax	(1540.08)	(1085.75)	(897.18)	(1180.51)
Transferred to Minority Interest	-	-	29.31	(12.63)
Profit/(Loss) for the year	(1540.08)	(1085.75)	(926.49)	(1167.88)
Add:				
Profit brought forward from the previous year	(7990.66)	(6904.93)	(8263.50)	(7095.66)
Available for Appropriation	(9530.74)	(7990.68)	(9205.44)	(8263.54)
Appropriations:				
On Divestment of Subsidiary				
Dividend (Proposed) Equity Shares				
Tax on Dividend				
Other Adjustments	(0.02)	0.02	-	0.04
Balance carried to Balance Sheet	(9530.76)	(7990.66)	(9205.44)	(8263.50)

- The Financial Statements for the year ended 31st March, 2023 have been restated in accordance with Ind-AS for comparative information.
- The Financial Statements are in compliance with Ind-AS, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India.

During the Financial Year the Turnover of the Company on a Standalone basis stood at ₹ 101.48 crores, as compared to ₹ 27.66 crores during the previous F.Y. ended 31st March, 2022. The Company posted a Net Loss after Tax of ₹ 1540.08 crores during the year ended 31st March, 2023, as against a Net Loss after Tax of ₹ 1085.75 crores during the previous FY ended 31st March, 2022.

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GAMMON THE PHOENIX

Brief History

100 years ago Mr. J.C. Gammon a Mathematical Scholar and Civil Engineer was assigned a job to construct the Gateway of India while he was employed as an Assistant Engineer in the Public Work Department. He left his current employment and formed M/s. J.C. Gammon to carry out the task of the 1st Monument Structure the 'Gateway of India' and thus the Company was formed. He had a vision and foresight for the need of the country. Mr. Gammon an excellent Engineer, Innovator and Entrepreneur responsible for solid foundation of the great Institute which was later known as Gammon India Ltd.

Most of the Architectural structures in the fort area of Mumbai City were the early landmark achievements of Gammon India Ltd. The work which was accomplished by the pre-casting concrete was introduced by Gammon in the country, due to which the Company was aptly called the Sculptor of Concrete in India.

The reign of the Company gradually fell in the hands of Indian, Late Dr. T.N. Subba Rao, a Legend in the Civil Engineering who has carried forward technology and the innovation in civil engineering and gave Gammon a very respectable place in the history of Indian Construction Industry in 70s.

Around 1990 a young Entrepreneur of around 30 years, Mr. Abhijit Rajan took the reigns of Gammon in his professional hands. Realizing the potential of the Company and understanding the magnitude, he carried forward aggressively the expansion of the Company. Till the time Mr. Rajan commenced the Company's concentration was only on Civil Engineering projects. Post Mr. Rajan acquiring the command, the Company expanded in the field of manufacturing, transmission, oil business and cross country pipeline in addition to core civil engineering business.

By 2000, the Company's CAGR exceeded 25% and ROCE by 20% and resulted in Gammon being the only Company with a consistent dividend payout for over 30 years. By 2008, Gammon was among the largest infrastructure companies in India with a revenue of over Rs 2500 crore, net worth of over Rs 1000 crore, a debt/equity ratio of just 0.39:1 and a market cap of more than ₹ 4200 crores.

Gammon was looking at opportunities to expand its presence in burgeoning Indian power sector. Gammon had a strong legacy of credentials in power sector across thermal, hydro and nuclear power plants in the field of civil work including tunnels, intake well, dams, and specialized work like cooling towers, chimneys, etc., Gammon decided to become a "one stop energy shop" in power sector by expanding presence across entire energy value chain. This was done by combining existing civil EPC capability in power with manufacturing and supply of power equipment, transmission & distribution and operations and maintenance capabilities across thermal, hydro, nuclear and non-conventional forms of energy. By doing this Gammon would become eligible for bidding and executing mega turnkey projects in rapidly growing and large supercritical thermal power projects.

Gammon had a footprint in Civil Engineering projects in all types of structures like bridges, tunnels, roads, jetties, ports, dams, canals, all types of power plants, chimneys, silos, water towers, residential projects, industrial projects like cement and steel plants, cooling towers, religious structures etc.

Gammon has completed over 2000 projects of small, medium and large scale covering majority states and districts of the country. It has successfully completed projects internationally as well. It is Gammon which has acquired the title of '*Builders to the Nation*' by developing all types of infrastructure projects from Kashmir to Kanyakumari and Kutch to Arunachal Pradesh.

Re-Structuring of the Company

The Company's operations have been affected in the last few years by various factors including liquidity crunch, unavailability of resources on timely basis, delays in execution of projects, delays in land acquisition, operational issues etc. The Company's overseas operations are characterized due to weak order booking, paucity of working capital and uncertain business environment. Also the Company's current liabilities exceed the current assets by ₹ 9909.38 Crore as at March 31, 2023. The facilities of the Company with the Secured lenders are presently marked as NPA since June 2017. The liquidity crunch has resulted in several winding up petitions being filed against the Company by various stakeholders for recovery of the debts which the Company has been settling as per the mutually agreed repayment terms. The liquidity crunch is affecting the Company's operation with increasing severity. The Secured lenders have recalled the various facilities, initiated recovery suits in the Debt Recovery Tribunals as well as filing a winding up petition with the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy code. However the secured lenders who had invoked winding up petition has withdrawn the said petition from the Hon'ble National Company Law Tribunal, Mumbai Bench.

The Company has been making every effort in settling the outstanding Lenders dues.

Revival Plan

Pursuant to the execution of the ICA the lenders appointed M/s Deloitte Touche Tohmatsu India LLP as Process Advisory (PA) in the resolution process of the Company. Subsequent to the abovementioned appointment the representatives of Deloitte attended one of the Joint Lenders Meeting held on 13th January, 2020, wherein the plans regarding the way forward on the

resolution process were presented. Subsequently on the recommendation by Deloitte the Company signed an engagement letter with Duff and Phelps (D&P) to carry out the valuation of the Company and estimation on the recoverability of arbitration claims of the Company and on such terms and conditions as directed by IDBI Bank.

In furtherance to the execution of the ICA, the Company submitted a draft resolution plan to the consortium of lenders. Pursuant to the submission of the resolution plan, Seven lenders including the lead monitoring institution provided their in-principle sanction to the company and the company is pursuing for the approval with other lenders as well.

Due to delay in approval of resolution plan by other Bankers the fund through which Everstone (Investor) was intended to invest was closed. However, Everstone has shown a keen desire to invest with next available fund.

Due to time constraint, Gammon has proposed an alternate investor with the same terms and conditions for the revival of the Company which is accepted by the Bankers. The lenders discussed the above matter at the Joint Lenders meeting dated 5th March 2022 and while accepting the offer were willing to take up with their higher management for resolution plan of the Company.

The Company is awaiting the sanction of the lenders. The resolution process is in the advanced stage and the management is hopeful that the sanctions will be received soon.

Meanwhile the company has received various notices from Union Bank of India and Punjab National Bank under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, (SARFAESI) taking over the possession of the Gammon House property including the land appurtenant to it, the company has been restrained from parting with the rights over the said property.

The Company's management is hopeful of obtaining approval of all the lenders to the above plan and to that effect is continuously engaged with the lenders for a solution.

Last couple of years of the century of Gammon was spent on salvaging all possible value of the Company to bounce back afresh for its 2nd century. The pillars of Gammon are strong to withstand all adversities.

These pillars are:

- 1) Customer Focus
- 2) Technology & Innovation
- 3) Human Resources
- 4) Interest of Stake Holders

We salute them all for their trust on us on this centenary year.

OVERSEAS SUBSIDIARIES

Group Sofinter, Italy

Established in 1979, Group Sofinter, Italy comprises four principal Companies viz. Sofinter S.p.A., A.C. Boilers S.p.A (formerly AnsaldoCaldaie S.p.A), Europower SpA, ITEA SpA. The Group is engaged in the manufacture/EPC of packaged industrial boilers/utility/ power generation boilers respectively, catering to the oil and gas industry, industrial manufacturing and power utility plants worldwide. The Group has modern manufacturing facilities in Italy, Romania and India and a dedicated R&D facility in Italy.

Sofinter SpA

Sofinter SpA, the holding company of the Group Sofinter, also has Macchi as the main manufacturing division. Macchi is a world leader and original equipment manufacturer of packaged industrial boilers and Heat Recovery Steam Generators with applications in Oil and Gas refineries, petro chemical plants, industrial manufacturing units and co-generation plants. Till date Macchi has over 1,000 units installed world-wide to its credit which is backed by a strong after sales service unit to cater to their needs.

AC Boilers S.p.A.

AC Boilers S.p.A. is the market leader in design, supply, manufacturing and installation of utility power boilers and original equipment manufacturer of HRSGs upto 260 MWe for CCP plants. With 150 years of experience in steam generation and burner technology field, the company has an installed base of over 80,000 MWe and 1,000 units. It also provides rehabilitation, fuel conversion and after-sales services for existing boilers, with a strong foothold in Egypt (ACBE – 98%) and India (Ansaldo Caldaie Boilers, India – 26%). The Advance Combustion Research Centre of the company offers specialized services to customers, even as its products are qualified for Super Critical Applications.



Europower S.p.A

Europower SpA is active in EPC of waste-to-energy turnkey plants, including CHP for refinery, petrochemical and chemical industry, CCPP for power plants, district heating and cooling plants. It is also engaged in operations and maintenance of power and industrial plants.

ITEA S.p.A

Established in 2002, ITEA is the R&D division dedicated to development and patenting of zero-emission Isotherm PWR Flameless Oxy- combustion technology (Isotherm PWR*) to be used in industrial and utility Power Plants. The flameless pressured oxy-combustion technology uses high temperatures, oxygen-enriched air and pressurization in an innovative manner to meet future environmental challenges in energy and waste segments. Industrial waste treatment, municipal solid urban waste and low-grade coal are other applications of the cost-effective clean technology.

ITEA S.p.A is set to commercially roll out this technology in select applications in the coming years.

Group Sofinters' Consolidated Financial Statements include the financial statements of Sofinter S.p.A (the parent of the companies over which it exercises control directly or indirectly, from the date on which control was acquired upto the date on which it ceases.

During 2022, the actual impact of cost overruns in Macchi and AC Boilers due to the disruptions and other factors caused by Covid, after negotiations with the clients concluded for off-setting some of these, were recognised. Furthermore, the turn around which was largely expected in 2022 did not materialised due to the unexpected conflict between Russia and Ukraine resulting in sanctions from the West as well as supply chain disruptions. Macchi has suffered some disruptions in its Projects in Belarus, Kazakhstan etc. which are being executed by Russian companies or their counter-parts in these countries. Freight costs have also sky rocketed due to problems in the ocean routes and inflationary trends in the West have resulted in uncontrollable cost increases during 2022 for all major inputs. The situation in 2023 remains challenging due to the continuing conflict although the market for Macchi products has been robust and in fact has exceeded expectations with new bookings of over Euro 230 million which is the highest to date, resulting in a Group order book of Euro 488 million.

Globally, the demand for electricity is confirmed to grow at least until 2040 with a strong emphasis on renewable sources instead of fossil fuel plants. However, the Group has the references, the know-how, the technologies and execution capacity to meet the changing dynamics in demand for these plants wherever these may be.

The current Banking facilities for the Group in terms of the Agreement with the Banks expired in the last quarter of 2022. While the facilities under renewal per-se continue at the same level as at present, the renewal process is unlikely to be completed before the infusion of fresh equity into the Group which is expected within April 2024. In this regard, an Investment Agreement has been signed by the Company and the Majority Shareholders with Novacchio S.r.l, a Company controlled by Mutares, Germany for infusion of Euro 12 million equity into the Company, for a 90% shareholding. The Investment Agreement is inter-alia subject to the approval of ICICI/Exim Bank of India as well as the approval of the Italian Government and other authorities including the Italian Banks. The final closing is expected to be in April 2024. KPMG, Italy and Axia Capital, Italy are running the entire capital raising process for the Group.

Franco Tosi Meccanica S.p.A. (In Extraordinary Administration)

As pointed out in the previous years, with the transfer of the operational assets in all respects having been completed to Bruno Prezezzi S.p.A, the Commissioner has started the second phase of disposing of the non-core assets of the Company. These primarily comprise of approx 60 acres of land in Legnano, Milan, buildings and some equipment within. However, due to the prolonged effects of Covid on the economy in general and the ongoing conflict between Ukraine and Russia, the sale of such vast land even if divided into smaller parcels is proving to be a huge challenge and has resulted in considerable slowing down of the process. Meanwhile creditors in order of ranking and their dues continue to be negotiated by the administrator and will be paid off to the extent of amounts received from the disposal of the assets as and when these materialize.

Campo Puma Oriente S.A. (Puma Oil Block)

The Puma Oil Block is located in Ecuador's Oriente Basin in the Orellana Province east of Quito with an area of 162 square Kms. The Block was part of the second international marginal field bidding round and the contract was signed in March 2008 for a 20 year term with Consorcio Pegasus comprising two Companies, namely Campo Puma Oriente S.A. (CPO) with 90% share and Joshi Technologies Inc. with the balance 10%. Gammon India Limited has a 73.80% share in CPO corresponding to 66.40% share in Consorcio Pegasus. Initially, the contract was production sharing, but in February, 2011, it was changed to a service contract for an 18 year term. The remaining oil recovery after considering production till date from the existing Puma field is approximately 14.3 million barrels, excluding probable and possible reserves.

There are 11 operational wells in the Puma Block. However, as reported in the previous year, the field remains closed as all wells continue to be capped due to the inability to perform much needed interventions including water injections, artificial lift etc. as also additional CAPEX. In the absence of executing these procedures due to the impossibility to fund the same on account of the on-going restructuring being undertaken in Gammon there has been no progress in this direction prompting

the Ministry of Hydrocarbons, Ecuador to invoke various stringent provisions under the Contract citing breaches and seeking termination. Had these interventions taken place, these wells would have flowed approx 2000 barrels apart from an upward revision in service fees to approx USD 29 per barrel.

2. Dividend

In view of the losses the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2023.

3. Reserves

No amount was transferred to Reserves for the Financial Year ended March 31, 2023.

4. Finance

During the year under review the Company did not raise any capital from the capital markets either by way of issue of equity shares, ADR/ GDR or any debt by way of Debentures.

The standalone residual CDR Principal debt of ₹ 5,079.31 crores (amount as on 31st March 2023) (including an amount of ₹ 1,219.44 crores pertaining to recalled facility of the SPV's) has become a Non Performing Asset with the lenders as on 30th June, 2017.

5. Debentures

As on March 31, 2023 the Company had an outstanding principal balance of NCD's amounting to ₹ 2,879,587,705. Also the FITL outstanding on the NCD's was ₹ 4,536,063 which makes the total principal outstanding to ₹ 2,884,123,768. The said debentures and interest thereon continue to remain unpaid for more than a year. Repayment of debentures is also part of the settlement proposal as mentioned above, subject to the approval of the lenders to the proposal.

6. Public Deposits

The Company has no fixed deposits under Chapter V of the Companies Act, 2013, and did not accept any further deposits during the Financial Year 2022-23.

7. Transfer of Unclaimed Dividend and Unclaimed Equity Shares to Investor Education and Protection Fund

The Company did not pay any amount as dividend since the financial year 2012-13 onwards. Hence there is no pending dividend on shares which are outstanding to be transferred to IEPF authorities pursuant to the provisions of Section 124 of the Companies Act, 2013.

8. Material Changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report.

There has been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report.

9. Change in Nature of Business

There has been no change in the nature of business as the Company continues to carry on its retained Civil EPC business.

10. Details Of Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status And Company's Operations In Future

The Company's operations have been affected in the last few years by various factors including liquidity crunch, unavailability of resources on timely basis, delays in execution of projects, delays in land acquisition, operational issues etc. The Company's overseas operations are characterized due to weak order booking, paucity of working capital and uncertain business environment. Also the Company's current liabilities exceed the current assets by ₹ 9,909.38 Crore as at March 31, 2023. The facilities of the Company with the CDR lenders are presently marked as NPA since June 2017. The liquidity crunch has resulted in several winding up petitions being filed against the Company by various stakeholders for recovery of the debts which the Company has been settling as per the mutually agreed repayment terms. The liquidity crunch is affecting the Company's operation with increasing severity. The CDR lenders have recalled the various facilities, initiated recovery suits in the Debt Recovery Tribunals as well as filing a winding up petition with the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy code

The Company has been making every effort in settling the outstanding CDR dues.

There are a total of 62 matters against the Company pending before the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench as on 31st March, 2023.



11. Impact of COVID Pandemic

The Covid Pandemic has severely disrupted business operations due to lockdown and other emergency measures imposed by the Governments. The operations of the Company were impacted, due to shutdown of Projects and offices following nationwide lockdown. Various proposals for restructuring and arbitration & settlement matters have been delayed on account of the non-availability of the officials and closure of offices. The COVID Pandemic has compounded the problems due to all the restrictions on the movement of people, opening of offices, and the project work at sites, which was already at its slowest. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly, the impact may be different from that estimated as at the end of the financial year. The Company will continue to monitor any material changes to future economic conditions. The Management does not expect any further material adjustment beyond the assessments and impairments already made in the financial statements to the assets and liabilities.

12. Directors' Responsibility Statement

Pursuant to Section 134 (5) of the Companies Act, 2013 ("the Act"), we hereby state that:

- i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and its loss for the year ended on that date;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities
- iv) The Directors have prepared the Annual Accounts for the year ended March 31, 2023 on a going concern basis;
- v) The Directors have laid down internal financial controls which are followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. Annual Return

The Annual Return as per the provisions of Section 92(3) and Section 134 of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is available on the Company's website i.e. www.gammonindia.com.

14. Subsidiary / Associates and Joint Venture Companies

The Company had 23 subsidiaries including step-down subsidiaries, 3 Associates and 4 Joint venture companies as on 31st March, 2023. As on 31st March 2023, no subsidiary of the Company was a material subsidiary.

15. Consolidated Financial Statements/Subsidiary Companies

The Company, its Subsidiaries, Associates and Joint Ventures have adopted Ind-AS pursuant to the Ministry of Corporate Affairs notification, notifying the Companies (Indian Accounting Standard) Rules, 2015 under Section 133 of the Companies Act, 2013. Your Company has published Ind AS Financials for the year ended March 31, 2023 along with comparable as on March 31, 2022 on a Standalone and Consolidated basis, which form part of this Annual Report.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements of the Company, its subsidiaries and associates form part of this Annual Report. A Statement containing the salient features of the financial statements of the subsidiary companies and its associates is attached to the said Financial Statements in Form AOC-1 (**Annexure A**).

The said Financial Statements and detailed information of the subsidiary and associate companies shall be made available by the Company to the shareholders on request. These Financial Statements will also be kept open for inspection by any member at the Registered Office of the Company and the subsidiary and associate companies.

Pursuant to Section 136 of the Companies Act, 2013, the Financial Statements of the Company, Consolidated Financial Statements alongwith all relevant documents and separate audited accounts in respect of the subsidiaries and associates are available on the Company's website viz. www.gammonindia.com.

16. Directors/Key Managerial Personnel

During the Current Financial Year the following changes took place in the Board composition;

- Mr. Sandeep Sheth was appointed as an Executive Director of the Company w.e.f. 10th August, 2022;
- Further, Mr. Anurag Choudhry ceased to be an Executive Director w.e.f. 17th August, 2022. However he continues to be a Chief Financial Officer of the Company;

Ms. Niki Shingade resigned as the Company Secretary of the Company w.e.f. 12th December, 2023 and Mr. Nirav Shah was appointed as the Company Secretary of the Company w.e.f. 1st January, 2024. All the directors suffer disqualification as on 31st March, 2023 pursuant to the provisions of Section 164(2) of the Companies Act, 2013.

17. Auditors**(A) Statutory Auditors**

In compliance with the provisions of Section 139 of the Companies Act, 2013, the shareholders in the 100th Annual General Meeting appointed M/s. Natvarlal Vepari & Co, Chartered Accountants (Firm Registration No. 106971W) as the Statutory Auditors of the Company for a period of 5 (Five) years from the conclusion of the 100th Annual General Meeting until the conclusion of the 105th Annual General Meeting.

(B) Cost Auditor

The Company maintains cost records as required under the provisions of Section 148 of the Companies Act, 2013.

In accordance with the provisions of Section 148 of the Companies Act, 2013 the Board in its meeting held on 21st June, 2022 has appointed Mr. Pradip Damania as the Cost Auditor of the Company for the financial year – 2022-23 on a remuneration of ₹70,000 excluding out of pocket expenses and tax. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014.

Pursuant to the abovementioned Rules and in order to ensure compliance with the same, the Board of Directors appointed Mr. Pradip Damania, Cost accountant for conducting the Audit of Cost Accounting records maintained by the Company for the Company's Civil Engineering, Procurement and Construction business for the Financial Year 2022-2023.

(C) Secretarial Auditor and Audit Observations and Board's comments thereon;

M/s. Pramod Shah & Associates, Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company, to conduct the Secretarial Audit of the Company for the Financial Year ended 31st March, 2023 pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time. The Secretarial Auditor's Report is annexed to this report as "**Annexure B**".

The auditors have qualified the report with the following observations:

Qualification: The Company had delayed the submission of the financial statement for the Quarter and financial year ended 31st March, 2022 as the Board meeting of the Company scheduled to be held on 30th May, 2022 rescheduled to 21st June, 2022, the Entity uploaded the results on stock exchange accordingly.

Boards Explanation:

The Management has certain strategic decisions to be taken and hence the delay.

Qualification: the Company has delayed filing, as per regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018, for the Fourth quarter ended on March, 2023.

Boards Explanation:

The Company paid the RTA agents at its earliest opportunity and fund availability post which the reports were generated and submitted.

Qualification: The Company has not complied with Para 8.8.1 of SS-1 of Secretarial Standards issued by ICSI, i.e., Preservation of Minutes and other Records: Minutes of all Meetings shall be preserved permanently in physical or in electronic form with Timestamp.

Boards Explanation: The Company has strived to comply to the extent possible.

Qualification: The Company's trading has been suspended due to penal reasons.

Boards Explanation: The Company will shortly clear all its dues to the stock exchanges and comply with the pending compliances. Post the clearance of dues the Company will apply for relisting of its shares. As on the date of this report the company has cleared all its dues to the stock exchanges.



GAMMON INDIA LIMITED

Qualification: the Company has not altered its Memorandum of Association & Article of Association in lines with the Companies Act, 2013.

Boards Explanation: The Company has pending dues to the consortium of lenders and the lenders are the major shareholders. Post resolution of the debt the MOA and AOA will be amended.

Qualification: However, the Company has not complied Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018

Boards Explanation:

The Company paid the RTA agents at its earliest opportunity and fund availability post which the reports were generated and submitted.

Qualification: However, the Company has delayed in filing, as per regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Boards Explanation:

The Company had delayed filing of financial results and due to which the delay occurred. However immediately after publishing the results the company filed RPT report under regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Qualification:

The Company has delayed in filing, as per regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Boards Explanation:

The Company paid the RTA agents at its earliest opportunity and fund availability post which the reports were generated and submitted.

18. Annual Secretarial Compliance Report:

Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Every listed entity shall submit a secretarial compliance report in such form as specified, to stock exchanges, within sixty days from end of each financial year”.

Accordingly M/s. Pramod Shah & Associates, Practicing Company Secretaries were appointed to conduct an Annual Secretarial Compliance audit for the financial year ended 31st March, 2023 and thereafter provide their observations and report thereon. The same is annexed as “**Annexure C**”

Below are the auditors’ qualifications along with Board’s clarification thereon:

Serial No.	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	COMPLIANCE STATUS (YES/NO/NA)	Observations/ Remarks of the Practising Company Secretary	Board’s Explanation
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	YES	The Company has not complied with Para 8.8.1 of SS-1 of Secretarial Standards issued by ICSI, i.e., Preservation of Minutes and other Records: Minutes of all Meetings shall be preserved permanently in physical or in electronic form with Timestamp.	The Company has strived to comply to the extent possible.
2.	<u>Adoption and timely updation of the Policies:</u> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	-	

Serial No.	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	COMPLIANCE STATUS (YES/NO/NA)	Observations/ Remarks of the Practising Company Secretary	Board's Explanation
3.	<u>Maintenance and disclosures on Website:</u> The Listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes	-	
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-	
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA	There is no material Subsidiary Company.	
	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	YES		
	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	YES		
	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit committee	YES		



Serial No.	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	COMPLIANCE STATUS (YES/NO/NA)	Observations/ Remarks of the Practising Company Secretary	Board's Explanation
	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	NO	<i>The Company had delayed the submission of the financial statement for the Quarter and financial year ended 31st March, 2022 as the Board meeting of the Company scheduled to be held on 30th May, 2022 rescheduled to 21st June, 2022, the Entity uploaded the results on stock exchange accordingly.</i>	The Management has certain strategic decisions to be taken and hence the delay.
	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	YES		
	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	NA	No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	
	<u>Additional Non-compliances, if any:</u> additional non-compliance observed for all SEBI regulation/ circular/guidance note etc	Yes	1. (Listing Obligations and Disclosure Requirements), Regulations, 2015; the listed entity or any other person thereof who contravenes any of the provisions of these regulations, shall, in addition to liability for action in terms of the securities laws, be liable for the following actions by the respective stock exchanges), in the manner specified in circulars or guidelines issued by the Board: (a) holding of designated securities, as may be applicable, in coordination with depositories. <i>The Company's trading has been suspended due to penal reasons.</i> 2. As per Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018 shall report to the stock exchange the Reconciliation of share capital audit report Within 30 days from the end of the quarter <i>However, the Company has not complied Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018</i>	All the non-compliances are due to the pending dues to various authorities like depository participants, stock exchanges, RTA Agents etc.,. However the company has always strived to clear the dues post which the compliances were done at the earliest.

Serial No.	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	COMPLIANCE STATUS (YES/NO/NA)	Observations/ Remarks of the Practising Company Secretary	Board's Explanation
			1. As per Regulation 98 (1) of SEBI 3. As per Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the listed entity shall submit to the stock exchanges disclosures of related party transactions and such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results <i>However, the Company has delayed in filing, as per regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.</i>	
			4. As per Regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within thirty days from the end of the financial year, certifying compliance with the requirements of Regulation 7 (2) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 <i>However, the Company has delayed in filing, as per regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.</i>	

19. Corporate Governance Report and Management Discussion & Analysis

A Report on Corporate Governance and Management Discussion and Analysis for the year ended 31st March, 2023, together with certificate from M/s. V. V. Chakradeo and Co., Practising Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

20. Boards' Explanation On Statutory Auditors' Qualification on Financial Statements

The Board's explanation on the Statutory Auditor's qualifications and remarks in their Audit Report both on the Standalone and Consolidated Financial Statements is annexed to this report as "**Annexure D**".

Members' attention is drawn to "Emphasis of Matter" stated in the Auditor's Report dated 28th October, 2023 on the Standalone Financial Statements and in the Auditor's Report dated 28th October, 2023 on the Consolidated Financial Statements of the Company for the year ended 31st March, 2023. The Directors would like to state that the said matters are for the attention of members only and have been explained in detail in the relevant notes to accounts as stated therein and hence require no separate clarification.

21. Declaration by Independent Directors

The Independent Directors have furnished declaration in accordance with the provisions of Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided under Section 149(6) and the same has been taken on record by the Board.



22. Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Company formulated a Nomination and Remuneration Policy in terms of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 laying down inter-alia, the criteria for appointment and payment of remuneration to Directors, Key Managerial Personnel and Senior Employees of the Company the same was adopted by the Board and is annexed to this Report as “**Annexure E**”.

23. Committees of the Board

The Board has appointed mandatory as well as non-mandatory Committees with specific powers in specific areas with delegated authority. The following Committees of the Board have been formed which function in accordance with the powers delegated to them:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee

The aforementioned committees have been reconstituted. Details of the composition of each of the committees, number of meetings held and all other relevant details, has been given in the Corporate Governance Report, which forms a part of this Annual Report.

24. Familiarization Programme for Independent Directors

The Company has in place a system to familiarize its Independent Directors with the operations of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. All the Independent Directors were updated about the ongoing events and developments relating to the Company from time to time either through presentations at board or committee meetings. The Independent Directors also have access to any information relating to the Company, whenever requested to do so. In addition presentations are made to the Board and its committees where Independent Directors get an opportunity to interact with members of the senior management. The Independent Directors also have interaction with the Statutory Auditors, Internal Auditors, and External Advisors, if any, appointed by the Company at the meetings.

Further there were separate meetings of the Independent Directors held to update them about various ongoing matters viz., WSS, Projects of the company, the ongoing arbitration matters etc.,

25. Meetings of the Board

During the Financial Year under review, the Board of Directors of your Company met 5 (Five) times, i.e. on 21st June, 2022, 10th August, 2022, 14th November, 2022, 10th March, 2023 and 24th March, 2023.

26. Audit Committee

The Audit Committee has been formed in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. During the financial year Financial Year the Audit Committee met 5 (Five) times, i.e. on 21st June, 2022, 10th August, 2022, 14th November, 2022, 10th March, 2023 and 24th March, 2023.

The Audit Committee consists of the following members viz., (1) Mr. Anurag Choudhry – Executive Director and CFO, Mr. Soumendra Nath Sanyal, Mr. Ulhas Dharmadhikari, Mr. Kashi Nath Chattejee and Ms. Vinath Hegde – Independent Directors. Mr. Sandeep Sheth was appointed as a member of the Audit Committee with his appointment as an Executive Director.

Mr. Sanyal is the Chairman of the Committee.

27. Vigil Mechanism / Whistle Blower Policy

A vigil mechanism as per the provisions of Section 177 of the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 has been established by adoption of “Whistle Blower Policy” for Directors and Employees to report to the management about suspected or actual frauds, unethical behaviour or violation of the Company’s code. The Whistle Blower Policy is uploaded on the company’s website at www.gammonindia.com under the Investors Section.

28. Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments are given in the Notes to the Standalone Financial Statements, forming a part of this Annual Report.

29. Particulars of Contracts/Arrangements with Related Parties

All contracts/arrangements/transactions entered into by the Company during the Financial Year with the Related Parties were in the ordinary course of business and at arm's length basis. All such Related Party Transactions, were placed before the Audit Committee and also the Board for its approval/noting, wherever required. No omnibus approvals were taken during the Current Financial Year.

The Company has framed a policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. Details of Related Party Transactions entered into by the Company are more particularly given in the Notes to the Standalone Financial Statements.

The policy on the Related Party Transactions as approved by the Board is hosted on the Company's website i.e. www.gammonindia.com.

During the Financial Year, there were no Related Party Transactions of the Company with its Directors and Key Managerial Personnel or their relatives, its holding, subsidiary or associate companies as prescribed under Section 188 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and which were required to be reported in Form AOC-2 and therefore the Company is not required to report any transaction under the prescribed Form AOC-2 and the same does not form a part of this report.

None of the Directors/ KMPs or their relatives has any pecuniary relationships or transactions vis-à-vis the Company, other than their remuneration and their shareholding, if any, in the Company.

30. Board Evaluation

Pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV and Regulation 17 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors evaluated the performance of the Executive Director, each Board member evaluated the performance of the Board as a whole, each Board Committee member evaluated the performance of the Board Committees and Independent Directors evaluated the performance of the other Non-Executive and Non-Independent Directors. Independent Directors were also evaluated by Board members on the functioning, participation and contribution made by each Independent Director to the Board and Committee processes. A Report of the evaluation has been forwarded to the Nomination and Remuneration Committee to maintain confidentiality of the Report and to improve the Board dynamics, and enhancing Board's overall performance in the challenging environment.

31. Risk Management Policy

The Company is exposed to inherent uncertainties owing to the sector in which it operates. A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently. In order to evaluate, identify and mitigate these business risks, the Company's risk management framework embodies the management's approach and the initiatives taken to mitigate business and industry risks and redefining processes to create transparency, and thereby minimize the adverse impact on the business objectives and enhance the Company's competitive advantage. Further details of the same are set out in the MDA which forms a part of this Annual Report.

32. Internal Financial Controls

The Company has devised and implemented internal control systems as are required in its business processes. The internal controls have been designed to provide assurance with regard to recording and providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets, executing transactions with proper authorization and ensuring compliance with corporate policies.

However its implementation and effectiveness in certain areas are affected due to manpower and liquidity issues.

33. Particulars of Frauds, if any reported under Sub-Section (12) of Section 143 other than those which are reportable to the Central Government

No frauds have been reported under sub-section (12) of Section 143 of the Companies Act, 2013.

34. Particulars of Employees -

Information required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year under review is enclosed as "**Annexure F**" to this Report.

35. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 the information on conservation of energy, technology absorption and foreign exchange earnings and outgo is enclosed as "**Annexure G**" to this report.



36. Prevention of Sexual Harassment of Women at Workplace

During the year under review, no complaints were received with regard to Sexual Harassment under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

37. Reasons for suspension of trading of equity shares

The shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited. The trading of the equity shares are suspended from 23rd February, 2018 onwards due to non-compliance of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Post the demerger of the two operating businesses in the financial year 2016-17 and 2017-18 most of the employees pertaining to the two business were transferred to the demerged entities and the Company continues with skeletal staff. Also the Company is facing challenging financial times and as a result its difficult to retain/hire employees. This has delayed the preparation and finalization of accounts commencing from the quarter ended June 2017. Thereafter the Company strived its best to adopt and publish the results within the prescribed time. Further the exchanges had also levied heavy penalties on the Company which considering the financial crises the Company was unable to pay. The Company has made several applications to the Stock Exchanges to consider the matter of the Company as a special case and waive off the penalties so that the Company could apply to resume trading of its shares on the exchanges portal.

Further to inform the members that both the stock exchanges have given the opportunity of personal hearing and appearance before the committee of respective exchanges wherein the Company officials have made their submissions pleading for waiver of penalties levied by the exchanges. Considering the submissions of the Company both the exchanges had decided to waive off a part of the total penalties levied. The Company is trying to pay the pending penalties and the other payments to the exchanges, subsequently an application for revocation of suspension will be filed with the exchanges.

38. Acknowledgement

The Board thanks all its valued customers and various Central and State Governments as well as other Stakeholders connected with the business of the Company including Contractors and Consultants and also Banks, Financial Institutions, Shareholders and Employees of the Company for their continued support and encouragement.

**For and on behalf of the Board of Directors
Gammon India Limited**

Place: Mumbai

Date: 27th December, 2023

**Sandeep Sheth
Executive Director
DIN: 08781589**

**Soumendra Nath Sanyal
Director
DIN: 06485683**

Annexure “A”

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(₹ In Crore)

Sr. No.	Name of the Subsidiary	Reporting period	Reprting Currency/ Exchange Rate	Share Capital	Reserve & surplus	Total Assets#	Total Liabilities	Investment	Turnover	Profit before taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
1	ATSL Infrastructure Projects Limited	Apr 22 - Mar 23	INR	0.05	(0.06)	2.51	2.52	-	-	(0.00)	-	(0.00)	-	51.00%
2	Deepmala Infrastructure Private Limited	Apr 22 - Mar 23	INR	0.01	(24.56)	452.43	476.98	-	-	141.24	0.00	141.24	-	51.00%
3	Gactel Turnkey Projects Limited	Apr 22 - Mar 23	INR	5.05	(276.31)	79.68	350.94	0.01	-	59.32	-	59.32	-	100.00%
4	Gammon Power Limited	Apr 22 - Mar 23	INR	22.55	(57.57)	21.85	56.87	19.40	-	(16.50)	-	(16.50)	-	99.98%
5	Gammon Realty Limited	Apr 22 - Mar 23	INR	20.05	(111.65)	58.90	150.50	0.00	-	(54.41)	-	(54.41)	-	75.06%
6	Gammon Retail Infrastructure Private Limited	Apr 22 - Mar 23	INR	0.05	(0.03)	0.15	0.13	0.03	-	(0.02)	-	(0.02)	-	100.00%
7	Metropolitan Infrahousing Private Limited	Apr 22 - Mar 23	INR	0.01	(404.03)	173.41	577.43	-	-	10.69	1.06	9.63	-	84.16%
8	Gammon Transmission Limited	Apr 22 - Mar 23	INR	0.05	0.36	0.54	0.13	-	-	(0.00)	-	(0.00)	-	100.00%
9	Gammon Real Estate Developers Private Limited	Apr 22 - Mar 23	INR	0.01	(0.01)	0.01	0.01	-	-	(0.01)	0.00	(0.01)	-	100.00%
10	Patna Water Supply Distribution Networks Private.Limited	Apr 22 - Mar 23	INR	0.01	(36.67)	32.23	68.89	-	-	(0.02)	0.00	(0.02)	-	73.99%
11	Ansaldocaldaie boilers India Private Limited	Apr 22 - Mar 23	INR	50.00	(92.39)	45.91	88.29	-	2.28	(1.01)	0.02	(1.03)	-	73.40%
12	Gammon Italy Srl	Jan 15 - Dec 15	EURO/ 72.501	0.07	(0.20)	0.03	0.17	-	-	-	-	-	-	100.00%
13	SAE Powerlines Srl		EURO	-	-	-	-	-	-	-	-	-	-	-
14	P.Van Eerd Beheersmaatschappaji B.V.,Netherlands	Apr 22 - Mar 23	EURO/ 89.6076	0.14	(209.70)	-	209.55	-	-	(17.28)	-	(17.28)	-	100.00%
15	ATSL Holdings BV, Netherlands	Apr 22 - Mar 23	EURO/ 89.6076	0.16	(285.25)	74.46	359.55	-	-	(20.33)	-	(20.33)	-	100.00%
16	Associated Transrail Structures Limited., Nigeria	Apr 16 - Mar 17	Naira/ 0.2059	0.21	(2.12)	0.00	1.91	-	-	-	-	-	-	100.00%
17	Gammon Holdings B.V., Netherlands	Apr 22 - Mar 23	EURO/ 89.6076	0.16	(1,259.22)	0.34	1,259.40			(64.27)	-	(64.27)	-	100.00%
18	Gammon International B.V., Netherlands	Apr 22 - Mar 23	EURO/ 89.6076	0.16	(802.05)	361.22	1,163.10	342.19		(58.05)	-	(58.05)	-	100.00%
19	Gammon International FZE	Apr 22 - Mar 23	AED/ 22.3705	0.34	(57.10)	83.16	139.93			-	-	-	-	100.00%
20	Gammon Holdings (Mauritius) Limited	Apr 22 - Mar 23	USD/ 82.2169	0.12	(25.09)	482.24	507.21	482.19	-	(28.30)	-	(28.30)	-	100.00%
21	Franco Tosi Meccanica S.p.A		INR	-	-	-	-	-	-	-	-	-	-	-
22	Franco Tosi Turbines Private Limited. (FTT)		INR	-	-	-	-	-	-	-	-	-	-	-
23	Sofinter S.p.A. *		EURO	-	-	-	-	-	-	-	-	-	-	-

* The Company is not able to exercise control over Sofinter S.p.A. Board although it holds 67.5% shareholding in the Company and therefore the said Sofinter is neither accounted as a Subsidiary nor as an Associate. The Company has accounted the said Investment at Fair Value through Other Comprehensive Income from the transition date by making the election as required by the Standards.

Total Assets does not include Investments as it is given seperately.



Part “B”: Associates and Joint Ventures

(₹ In Crore)

Sr. No.	Particulars	Details		
1	Name of associates/Joint Ventures	Gammon Infrastructure Projects Ltd (GIPL)	Fin est Spa [^]	Campo Puma Oriente S.A.*
2	Latest audited Balance Sheet Date	31st Mar 2021	31st Dec 2013	31st Dec 2018
3	Shares of Associate/Joint Ventures held by the Company on the year end:			
	No. of Shares	19,39,99,800	7,80,000	-
	Amount of Investment in Associates/Joint Venture	38.80	19.52	-
	Extend of Holding%	20.60%	50.00%	66.39%
4	Description of how there is significant influence	Significant Influence over Share Capital	Significant Influence over Share Capital	Significant Influence & Control
5	Reason why the associate/joint venture is not consolidated	Consolidated	Not Consolidated	Consolidated
6	Net worth attributable to shareholding as per latest audited Balance Sheet	21.21	17.41	(282.89)
7	Profit/(Loss) for the year			
	Considered in Consolidation	-	-	-
	Not Considered in Consolidation	-	-	-

Sr. No.	Particulars	Details			
1	Name of associates/Joint Ventures	Gammon – Ojsc Mosmetrostroy – JV('GOM')**	Ansaldocaldaie-GB Engineering Private Limited.('ACGB') @	Gammon SEW('GSEW')	GIPL - GIL JV**
2	Latest audited Balance Sheet Date	31st Mar 2022	31st Mar 2019	31st Mar 2023	31st Mar 2019
3	Shares of Associate/Joint Ventures held by the Company on the year end:				
	No. of Shares	-	2,00,00,000	-	-
	Amount of Investment in Associates/Joint Venture	-	20.00	-	-
		51.00%	50.00%	90.00%	100.00%
4	Description of how there is significant influence	Significant Influence & Control	Significant Influence & Control	Significant Influence & Control	Significant Influence & Control
5	Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated
6	Net worth attributable to shareholding as per latest audited Balance Sheet	(2.49)	13.32	(1.57)	(0.01)
7	Profit/(Loss) for the year				
	Considered in Consolidation	(0.00)	-	0.84	-
	Not Considered in Consolidation	-	-	-	-

* Based on the un-audited management accounts for the period ended December 31, 2018.

** Based on the un-audited management accounts..

@ Based on Audited accounts of March 2019

[^] In the absence of financial statements of Finesta Spa no effects are taken in these financial statements for the current period. The balances as at December 31, 2013 are incorporated. However, the Associate is not carrying out any operations and therefore their impact is not expected to be significant.

For and on behalf of the Board of Directors

Gammon India Limited

Sandeep Sheth
Executive Director
DIN No. 08781589

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

Mumbai, Dated : 27th December 2023

Annexure “B”
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

GAMMON INDIA LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GAMMON INDIA LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year from 01st April, 2022 to 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - (c) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and amendments from time to time;
 - (d) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards-1 & Secretarial Standards-2 issued by the Institute of Company Secretaries of India, and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (“SEBI LODR”)

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:

1. As per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the listed entity shall submit quarterly and yearly standalone financial results to the stock exchange within forty-five days of end of each quarter, (other than last quarter) along with Limited Review Report or Audit Report as applicable.



GAMMON INDIA LIMITED

The Company had delayed the submission of the financial statement for the Quarter and financial year ended 31st March, 2022 as the Board meeting of the Company scheduled to be held on 30th May, 2022 rescheduled to 21st June, 2022, the Entity uploaded the results on stock exchange accordingly.

2. As per Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 the listed Entity shall submit a quarterly compliance report on surrender of certificate of security within fifteen days from the end of the Quarter.

However, the Company has delayed filing, as per regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018, for the Fourth quarter ended on March, 2023.

3. Secretarial Standards (SS - 1, SS - 2, SS - 3 and SS - 4) issued by the Institute of the Company Secretaries of India (ICSI) was compiled to the extent possible.

Except- The Company has not complied with Para 8.8.1 of SS-1 of Secretarial Standards issued by ICSL, i.e., Preservation of Minutes and other Records: Minutes of all Meetings shall be preserved permanently in physical or in electronic form with Timestamp.

4. As per Regulation 98 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015; the listed entity or any other person thereof who contravenes any of the provisions of these regulations, shall, in addition to liability for action in terms of the securities laws, be liable for the following actions by the respective stock exchanges), in the manner specified in circulars or guidelines issued by the Board: (a) holding of designated securities, as may be applicable, in coordination with depositories.

The Company's trading has been suspended due to penal reasons.

5. As per the provisions of Section 371 of the Companies Act, 2013 all the Companies limited by Share Capital are required to alter its Memorandum of Association & Article of Association as per Table F in Schedule I of the Companies Act, 2013.

However, the Company has not altered its Memorandum of Association & Article of Association in lines with the Companies Act, 2013.

6. As per Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018 shall report to the stock exchange the Reconciliation of share capital audit report Within 30 days from the end of the quarter

However, the Company has not complied Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018

7. As per Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the listed entity shall submit to the stock exchanges disclosures of related party transactions and such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results

However, the Company has delayed in filing, as per regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

8. As per Regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within thirty days from the] end of the financial year, certifying compliance with the requirements of Regulation 7 (2) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

However, the Company has delayed in filing, as per regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI LODR.

Adequate notice is given to all directors to schedule the Board / Committee Meetings, however the agenda and detailed notes on agenda were not sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were passed with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not undergone any specific events/actions that may have a major impact on the Company's affairs.

Bharat Sompura-Partner

Pramod S. Shah & Associates

ACS No.: A10540

C P No.: 5540

UDIN.: A010540E003005048

Place: Mumbai

Date: 21st December, 2023

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' to MR-3 and forms an integral part of this report.

Annexure A to Form MR-3

To,

The Members,

GAMMON INDIA LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Bharat Sompura-Partner

Pramod S. Shah & Associates

ACS No.: A10540

C P No.: 5540

UDIN.: A010540E003005048

Place: Mumbai

Date: 21st December, 2023



ANNEXURE C”

SECRETARIAL COMPLIANCE REPORT OF GAMMON INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2023**We have examined:**

- (a) all the documents and records made available to us and explanation provided by **GAMMON INDIA LIMITED** (“the listed entity”);
- (b) the filings/ submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity;
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended March 31, 2023 (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Period)**
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Period)**;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the Period)**;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Period)**;
- (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not Applicable to the Company during the Period)**;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009; **(Not Applicable to the Company during the Period)**
- (j) Securities and Exchange Board of India (Depository Participant) Regulations, 2018;
- (k) Any other regulations and circulars / guidelines issued thereunder; as may be applicable to the Company.
- (l) We hereby report that, during the Review Period the compliance status of the listed entity is appended below;

<u>Sr. no.</u>	<u>PARTICULARS</u>	<u>COMPLIANCE STATUS (YES/NO/NA)</u>	<u>OBSERVATIONS/REMARKS BY PRACTICING COMPANY SECRETARY</u>
1	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	-
2	<u>Adoption and timely updation of the Policies:</u> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI	Yes	-

Sr. no.	<u>PARTICULARS</u>	<u>COMPLIANCE STATUS (YES/NO/NA)</u>	<u>OBSERVATIONS/REMARKS BY PRACTICING COMPANY SECRETARY</u>
3	<p><u>Maintenance and disclosures on Website:</u> The Listed entity is maintaining a functional website. Timely dissemination of the documents/information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</p>	Yes	-
4	<p><u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p>	Yes	-
5	<p><u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries</p>	NA	There is no material Subsidiary Company.
6.	<p><u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	-
7.	<p><u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	Yes	-
8.	<p><u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit committee</p>	Yes	-
9.	<p><u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	No	<i>The Company had delayed the submission of the financial statement for the Quarter and financial year ended 31st March, 2022 as the Board meeting of the Company scheduled to be held on 30th May, 2022 rescheduled to 21st June, 2022, the Entity uploaded the results on stock exchange accordingly.</i>
10.	<p><u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	-



<u>Sr. no.</u>	<u>PARTICULARS</u>	<u>COMPLIANCE STATUS (YES/NO/NA)</u>	<u>OBSERVATIONS/REMARKS BY PRACTICING COMPANY SECRETARY</u>
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder</p>	NA	<p>No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder</p>
12.	<p><u>Additional Non-compliances, if any:</u> additional non-compliance observed for all SEBI regulation/ circular/guidance note etc</p>	Yes	<p>1. As per Regulation 98 (1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015; the listed entity or any other person thereof who contravenes any of the provisions of these regulations, shall, in addition to liability for action in terms of the securities laws, be liable for the following actions by the respective stock exchanges), in the manner specified in circulars or guidelines issued by the Board: (a) holding of designated securities, as may be applicable, in coordination with depositories. <i>The Company's trading has been suspended due to penal reasons.</i></p> <p>2. As per Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018 shall report to the stock exchange the Reconciliation of share capital audit report Within 30 days from the end of the quarter <i>However, the Company has not complied Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018</i></p> <p>As per Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the listed entity shall submit to the stock exchanges disclosures of related party transactions and such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results <i>However, the Company has delayed in filing, as per regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.</i></p> <p>As per Regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within thirty days from the] end of the financial year, certifying compliance with the requirements of Regulation 7 (2) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 <i>However, the Company has delayed in filing, as per regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.</i></p>

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder; except in respect of the matters specified below:

<u>SR</u> <u>N</u> <u>O</u>	<u>COMPLIANCE</u> <u>REQUIREMENTS</u> <u>(REGULATIONS/</u> <u>CIRCULARS/</u> <u>GUIDELINES</u> <u>INCLUDING</u> <u>SPECIFIC CLAUSE)</u>	<u>REGULA</u> <u>TION/CI</u> <u>RCULAR</u>	<u>DEVI</u> <u>ATIO</u> <u>NS</u>	<u>ACTION</u> <u>TAKEN</u> <u>BY</u>	<u>TYPE</u> <u>OF</u> <u>ACTION</u> <u>(ADVISORY/CL</u> <u>ARIFICATION/F</u> <u>INE/SHOW</u> <u>CAUSE NOTICE/</u> <u>WARNING,</u> <u>ETC.)</u>	<u>DETAILS</u> <u>OF</u> <u>VIOLATIO</u> <u>N</u>	<u>FINE</u> <u>ANNO</u> <u>UNCED</u>	<u>OBSERVATIO</u> <u>NS/REMARK</u> <u>S OF THE</u> <u>PRACTICING</u> <u>COMPANY</u> <u>SECRETARY</u>	<u>MANAGEM</u> <u>ENT</u> <u>RESPONS</u> <u>E</u>	<u>REMAR</u> <u>KS</u>
Not Applicable										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

<u>SR</u> <u>N</u> <u>O</u>	<u>COMPLIANCE</u> <u>REQUIREMENTS</u> <u>(REGULATIONS/</u> <u>CIRCULARS/</u> <u>GUIDELINES</u> <u>INCLUDING</u> <u>SPECIFIC CLAUSE)</u>	<u>REGULA</u> <u>TION/CI</u> <u>RCULAR</u>	<u>DEVI</u> <u>ATIO</u> <u>NS</u>	<u>ACTION</u> <u>TAKEN</u> <u>BY</u>	<u>TYPE</u> <u>OF</u> <u>ACTION</u> <u>(ADVISORY/CL</u> <u>ARIFICATION/F</u> <u>INE/SHOW</u> <u>CAUSE NOTICE/</u> <u>WARNING,</u> <u>ETC.)</u>	<u>DETAILS</u> <u>OF</u> <u>VIOLATIO</u> <u>N</u>	<u>FINE</u> <u>ANNO</u> <u>UNCED</u>	<u>OBSERVATIO</u> <u>NS/REMARK</u> <u>S OF THE</u> <u>PRACTICING</u> <u>COMPANY</u> <u>SECRETARY</u>	<u>MANAGEM</u> <u>ENT</u> <u>RESPONS</u> <u>E</u>	<u>REMAR</u> <u>KS</u>
Not Applicable										

Place: Mumbai
Date: 30th May, 2023

Pramod S. Shah & Associates
Practising Company Secretaries

Bharat Sompura-Partner
Pramod S. Shah & Associates
ACS No.: A10540
C P No.: 5540
UDIN: A010540E000429961



Annexure D

BOARDS' EXPLANATION ON AUDITORS QUALIFICATION ON FINANCIAL STATEMENTS

a) Board's explanation on Statutory Auditor's qualifications in their Report on Standalone Financial Statements

Relevant Para Nos. of The Auditors Report on the Standalone Financials	Details of Audit Qualifications	Boards Explanation/ Remarks
Clause a of Basis of Opinion	We invite attention to note no. 7(a) of the financial statement, detailing the recognition of claims during the earlier years in respect of on-going, completed and/or terminated contracts. The aggregate amount of claims outstanding as at March 31, 2023 is Rs. 151.39 crores. These claims were recognised only on the basis of opinion of an expert in the field of claims and arbitration. There are no further current updates from the expert, on the recovery of the claims, In view of the above-mentioned circumstances and facts we are unable to comment upon the amounts recognised, its realisation and the consequent effect on the financial statements for the year ended March 31, 2023	The management believes that they have strong case for each of the claims lodged against the client. This has been validated by independent techno legal consultant. The Board therefore has decided to account the claims..
Clause b of Basis of Qualified Opinion	We invite attention to note no. 7(b) of the financial statement relating to the claim of CMRL project wherein the Company has accounted the award at an amount of Rs 532.00 Crores. This amount includes an amount of Rs 123.08 Crores which is subject matter of appeal arising from the award. The Company has given an unfunded exposure of Rs. 51.25 Crores in form of Bank Guarantee. The Company has accounted for the entire award to its account although the award is in the name of joint venture as detailed in the note. In view of the final fructification of the award amount and the settlement of the JV proceeds as detailed in the aforesaid note we are unable to opine whether the entire amount will be to the account of the Company.	Company has received the award in the previous year and has filed appeal for certain issues. Management is confident of getting the above amount
Clause c of Basis of Qualified Opinion	We invite attention to note no. 4(a)(iii) of the financial statement relating to Trade receivables, inventories and loans and advances which includes an amount of Rs. 182.37 crores in respect of disputes in five projects of the Company and/or its SPVs. The Company is pursuing legal recourse/ negotiations for addressing the disputes in favour of the Company. Pending the conclusion of the matters we are unable to state whether any provisions would be required against the Company's exposure	There are disputes in six projects of the Company. The total exposure against these projects is Rs. 182.37 Crore. The Company is pursuing legal recourse / negotiations for addressing the disputes in favour of the Company and is of the opinion that it has a good case in the matter hence does not require any provision considering the claims of the Company against the Clients.
Clause d of Basis of Qualified Opinion	We invite attention to note no 27 of the financial statement relating to penal interest and charges of Rs 91.11 crores during the year charged by the lenders on its facilities. Total amount of penal interest amount to Rs. 415.76 Crores up to March 31, 2023. The same has not been debited to profit and loss account as management is disputing the same and is in discussion with the lenders for reversal of the said penal interest and charges. In the absence of conclusion of the aforesaid discussion, we are unable to state whether any provision is required to be made against such penal interest and charges.	The management is disputing the same and has not accepted the debit of interest in its books. They have also requested the lenders to reverse the charges.

b) Board's explanation on Statutory Auditor's qualifications in their Report on Consolidated Financial Statements

Relevant Para Nos. of The Auditors Report on the Standalone Financials	Details of Audit Qualifications	Boards Explanation/ Remarks
Clause a of Basis of Qualified Opinion	We invite attention to note no. 4 (a) of the Financial Result, detailing the recognition of claims during the earlier years in respect of on-going, completed and/or terminated contracts. The aggregate amount of claims outstanding as at March 31, 2023 is Rs. 151.39 crores. These claims were recognised only on the basis of opinion of an expert in the field of claims and arbitration. There are no further updates from the expert, on the recovery of the claims, In view of the above-mentioned circumstances and facts we are unable to comment upon the amounts recognised, its realisation and the consequent effect on the financial statements for the year ended March 31, 2023	The management believes that they have a strong case for each of the claims lodged against the client. This has been validated by independent techno legal consultant. The Board therefore has decided to account the claims.
Clause b of Basis of Qualified Opinion	We invite attention to note no. 4 (b) of the Financial Result relating to the claim of CMRL project wherein the Company has accounted the award at an amount of Rs 532.00 Crores. This amount includes an amount of Rs 123.08 Crores which is subject matter of appeal arising from the award. The Company has given an unfunded exposure of Rs. 51.25 Crores in form of Bank Guarantee. The Company has accounted for the entire award to its account although the award is in the name of joint venture as detailed in the note. In view of the final fructification of the award amount and the settlement of the JV proceeds as detailed in the aforesaid note we are unable to opine whether the entire amount will be to the account of the Company	The management believes that they have strong case for each of the claims lodged against the client. The Board therefore has decided to account the claims.
Clause c of Basis of Qualified Opinion	We invite attention to note no. 4(c) of the Financial Result relating to Trade receivables, inventories and loans and advances which includes an amount of Rs. 97.95 crores in respect of disputes in four projects of the Company and/or its SPVs. The Company is pursuing legal recourse/ negotiations for addressing the disputes in favour of the Company. Pending the conclusion of the matters we are unable to state whether any provisions would be required against the Company's exposure	There are disputes in four projects of the Company. The total exposure against these projects is Rs. 97.95 crore. The Company is pursuing legal recourse / negotiations for addressing the disputes in favour of the Company and is of the opinion that it has a good case in the matter hence does not require any provision considering the claims of the Company against the Clients.



Relevant Para Nos. of The Auditors Report on the Standalone Financials	Details of Audit Qualifications	Boards Explanation/ Remarks
Clause d of Basis of Qualified Opinion	We invite attention to note no 4 (d) of the Financial Result relating to penal interest and charges of Rs 91.11 crores during the year charged by the lenders on its facilities. Total amount of penal interest amount to Rs. 415.76 Crores up to March 31, 2023. The same has not been debited to profit and loss account as management is disputing the same and in discussion with the lenders for reversal of the said penal interest and charges. In the absence of conclusion of the aforesaid discussion, we are unable to state whether any provision is required to be made against such penal interest and charges.	The management is disputing the same and has not accepted the debit of interest in its books. They have also requested the lenders to reverse the charges.
Clause e of Basis of Qualified Opinion	We invite attention to note no 5 of Financial Result, following material Joint Ventures are not consolidated or consolidated based on unaudited financial statement in these consolidated financial statements. i. M/s Campo Puma Oriente S.A, Panama, a Joint Venture of the Company whose financials statement post December 31, 2019 are not available for consolidation, and the last audited financial statements was available till December 31, 2012, and the management accounts was available till December 31, 2019. ii. M/s Gammon OJSC Mosmetrostroy, a Joint Venture of the group. whose unaudited financial statement for past three years has been incorporated in these consolidated financial statements however the same are not audited for the last three years (Mar 2021 to Mar 2023) Since the Joint Ventures mentioned above are material, the Assets, Revenue and Cash Flow represented in those Financial Result are subject to audit and consequent effect, if any.	The audit could not be completed due to various reasons for the above entities. Based on the discussions with the respective managements, we do not foresee any material impacts arising out of audit in the aforesaid financials statements.
Clause f of Basis of Qualified Opinion	The auditors of one subsidiary Ansaldo Caldaie Boilers India Pvt Ltd of the Company carries a qualification in their Audit Report as follows. 1. The Company has received Share Application Money of Rs.16.64 Crores from M/s. Ansaldo Caldaie S.P.A for further allotment of shares which were to be issued on terms and conditions decided by the Board and in line with the regulations of RBI. The RBI vide its letter dated August 16, 2018 has asked the Company to refund the money. The Company has replied to RBI asking them to reconsider their directive for the reasons detailed in the Note no 21 (i) of Consolidated Financial Statements. RBI has not responded on the matter till date. The Company has not given any effects to the RBI directive and has disclosed the same as Current Liabilities. 2. We invite attention to the Financial Statements regarding accessibility of the inventory of Rs.1.18 Crores. The Stock is in the custody of the lenders of Ansaldo GB-Engineering Private Limited who have taken over the possession of the Company during 2019. In the absence of any confirmation from the lenders of the Ansaldo GB-Engineering Private Limited regarding possession of inventory we are unable to comment upon recoverability and physical possession of the inventory	ACBI has made an application to RBI for write back of the share application money received from Ansaldo Caldaie Italy. Representation is made to the Lenders of the Company for release of Stock.

“Annexure E”

NOMINATION AND REMUNERATION POLICY**1. PREAMBLE:**

The Selection and Remuneration Committee (“Committee”) of Gammon India Limited (“the Company”) was constituted by the Company’s Board of Directors on 6th May 2009.

In order to align the duties and responsibilities of the Committee with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board of Directors (the “Board”) at its meeting held on 3rd April 2014 renamed the “Selection and Remuneration Committee” as “Nomination and Remuneration Committee” (the “Committee”). The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and in line with the provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

As on 31st March, 2022, the Committee comprised of three (3) Non-Executive Independent Directors viz. (1) Mr. Soumendra Nath Sanyal (Chairman), (2) Ulhas Dharmadhikari & (3) Ms. Vinath Hegde.

2. DEFINITIONS:

- a) **Board** means the Board of Directors of Gammon India Limited.
- b) **Committee** means the Nomination and Remuneration Committee constituted by the Board of Gammon India Limited.
- c) **Company** means Gammon India Limited.
- d) **Key Managerial Personnel** means:
 - i. Chief Executive Officer or the Managing Director or the Manager;
 - ii. Company Secretary,
 - iii. Whole-time Director;
 - iv. Chief Financial Officer; and
 - v. such other officer as may be prescribed by the Companies Act, 2013 or the rules made thereunder.
- e) **Senior Management** means employees of the Company who are members of the Company’s core management team excluding the Board. This would also include all members of management one level below the Executive Directors and all the functional heads.

3. CHARTER:

- a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management as well as devising a policy on Board diversity;
- b) To lay down criteria for such appointments;
- c) Recommend to the Board their appointment and renewal; and
- d) To evaluate performance of every Director including the Independent Directors.
- e) To recommend to the Board remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

4. DUTIES & RESPONSIBILITIES OF THE COMMITTEE:**A. Identification of persons qualified to become Directors or occupy senior management positions and devising a policy on Board diversity:**

While appointing new director(s) on the Company’s Board, Key Managerial Personnel and Senior management the Committee shall implement a process to identify and evaluate suitable candidates in line based on the following guidelines;

- a. Well considered Organogram of the Company must be made and reviewed from time to time so that the vacancy slots, seniority and position in the Company are well defined and clear before the selection process is initiated.
- b. The incumbents must have qualifications and experience in the field that has relevance to the Company’s functions and working. The incumbents should have personal attributes such as personality, seniority, articulation, decision making, team building, management skills, leadership skills and ability to participate in meetings with peers and seniors.
- c. Such appointments may be made after considering recommendations from reliable and knowledgeable sources and/or outcome of a selection process which could be based on Head Hunters’ short listings or direct recruitment and advertisements, and/or promotions of the present cadre of managerial personnel.
- d. There should be a proper mix of technical skills, financial acumen and expertise such as in the fields of HR and commercial laws fairly represented at the Board level.
- e. The Managing Director shall report to the Board. The Key Managerial Personnel other than the Managing Director shall report to the Managing Director on day to day operations. However on all the matters, which in the opinion of the Key Managerial Personnel are important and critical or are required to be reported to the Board to comply with the prevailing laws and statutes, the Key Managerial Personnel shall report to the Board.



B. Fixing Remuneration of the Directors and Key Managerial personnel and Senior management:

- a. The level and composition of the remuneration should be reasonable and sufficient to attract, retain and motivate the incumbent.
- b. The Committee shall ensure that amount of remuneration is commensurate with the roles assigned to the Directors, Key Managerial Personnel and Senior Management and that the relationship between remuneration and performance is clear and meets appropriate performance benchmarks.
- c. Committee's recommendations to the Board or the Management, as the case may be, must include remuneration based on age, experience and qualification of the incumbent.
- d. Remuneration should have two components, one Fixed and the other Variable. The Fixed Component should be well defined and Variable Component, as far as feasible, should be based on factors such as growth and performance of the Company without considering exceptional items, interest and depreciation and or as may be advised by NRC and decided by the Board. The Board should have full discretion in the matter. Such Variable Component should be based either on the performance of the incumbent and/or the performance/growth of the Company. Contracts should be made in a manner that a deterrent clause is included to restrict employees leaving the organization from joining a competitor.
- e. The balance between the Fixed and Variable component can vary from time to time and from office to office.

C. Renewal of Contracts and evaluation of Directors and Senior Personnel:

Evaluation process must precede renewal of contracts. Self-evaluation is not recommended. Directors' performance, including that of independent Directors, must be evaluated by the Chairman of the Board who may seek advice from other Board members before making a recommendation.

D. Other duties & responsibilities:

The Committee's duties and responsibilities will, *inter alia*, include the following:

- to make recommendations to the Board concerning any matters relating to the Appointment and Removal of any Director at any time including the suspension or termination of services of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- to recommend to the Board the appointment and removal of Senior Management employee based on the criteria mentioned in this Policy.
- to recommend a succession plan for the Board and to regularly review the plan;
- to review this policy atleast periodically to make suitable changes required either pursuant to any applicable laws or by virtue of any other changes within the Company.

5. COMPOSITION:

- a) The Committee shall consists of a minimum of three (3) non-executive directors with all of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) The term of the Committee shall continue unless terminated by the Board.

6. CHAIRMAN:

The Chairman of the Committee shall be an Independent Director. In the absence of the Chairman, the Committee members present may nominate any one amongst them as the Chairman of the meeting.

7. COMMITTEE MEETINGS:

- a) The meeting of the Committee shall be held at such regular intervals as may be required.
- b) The Chairman of the Committee will report to the Board (at the next Board meeting) on the proceedings of each Committee meeting, bringing forward all Committee recommendations requiring Board approval.

8. COMMITTEE MEMBERS' CONFLICT OF INTEREST:

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

9. DUTIES OF THE COMPANY SECRETARY:

The Company Secretary shall:

- a) in coordination with the Chairman of the Committee finalize agenda and arrange for the Committee meetings;
- b) provide agenda and supporting documents to Committee members sufficiently in advance so as to enable the Committee members to prepare for the meeting;
- c) circulate minutes of each meeting to Committee members; and
- d) circulate copies of the minutes of the Committee meeting to the remaining Board members upon request

“Annexure F”

Disclosures pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial personnel), Rules, 2014

1. Ratio of remuneration of each director to median remuneration of employees for the Financial Year ended 31st March, 2023

Sr. No.	Name of the Director	Designation	Ratio of Directors remuneration to Median remuneration
1.	Mr. Anurag Choudhry	Executive Director (01.04.2022 to 17.08.2022)	1: 2.83
2.	Mr. Sandeep Sheth	Executive Director (From 10.08.2022)	1: 7.60
3.	Mr. Kashi Nath Chatterjee	Non-Executive Independent Director	--
4.	Mr. Soumendra Nath Sanyal	Non-Executive Independent Director	--
5.	Mr. Ulhas Dharmadhikari	Non-Executive Independent Director	--
6.	Ms. Vinath Hegde	Non-Executive Independent Director	--

2. Percentage increase in the remuneration of each Director, CFO, CEO, CS and Manager during the Financial Year ended 31st March, 2023:

Sr No	FIRST_NAME_C	Incr/Decr
1	Niki Shingade	0.00
2	Ajit B Desai	0.00
3	Anurag Choudhry	0.00
4	SANDEEP R SHETH	20.00

3. Percentage increase in median remuneration of employees:

Emp Group	Median Remuneration (in lakhs)	Increase in median remuneration %
HO Roll Employees		
- Level A	50.33	4.00
- Level B	12.65	1.13
- Level C	07.33	0.61
- Level D	04.73	0.45
LMR	02.76	Nil

As on 31st March 2023, there were 50 permanent employees on rolls of the Company.

4. Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration:

Emp Group	Average % increase in salaries for Fiscal 2023
HO Roll Employees	07.03%
LMR	-

➤ The remuneration paid to employees is as per the remuneration policy of the Company.

In terms of provisions of Section 197(12) read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and MCA Notification No. G.S.R.646(E) dated 30th June, 2016, the statement containing names of top ten employees in terms of remuneration drawn and employees drawing remuneration not less than Rs.1,02,00,000 per annum and not less than Rs.8,50,000 per month, if employed for a part of the financial year, is available for inspection at the Registered office of the Company and shareholders interested in obtaining copy of the same may write to the Company Secretary.



“Annexure G”

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 IS FORMING PART OF THE BOARD’S REPORT FOR THE FINANCIAL YEAR 2022-23

A. Conservation of Energy

In 100 years of its operation, Gammon stayed committed to - Make In India - Make for India initiative of Honourable Prime Minister. Gammon has maintained the strategy – every electrical unit saved equivalent to electrical unit generated. Considering the same the following steps/initiatives were taken or adopted by Gammon which was a step towards conservation of energy:

- Installation of fuel efficient plant and machinery at the project site and the extensive use of LED lights in place of regular lights
- Adopting steam curing or curing compound regeneration of waste material at sites
- Encouraging electronic media over the print media
- Benchmark limits were set at site for wastage limits and projects which did not breach the limits were rewarded.
- Used cooling methods for transportation of staff
- Creating awareness by e-mailers.

B. Technology Absorbtion

Gammon is committed towards technology driven innovation and inculcating an innovation driven culture within the organisation.

Gammon has absorbed all required technology considering the socio economic factors and developed/implemented those technologies in the field of Civil Engineering.

The concept of pre-stressed precast concrete, Hyperbola Cooling Tower, Tapper Slip form, Segmental concrete for bridges, Cable Stayed Bridge etc. are a few examples where Gammon has absorbed these technologies from Europe and indigenised for our country.

Gammon believed and has always worked considering socio economic requirement of the country.

C. Foreign Exchange Earnings and Outgo

Foreign Exchange earnings and outgo during the year under review are as follows:

(Rs. in crores)

Total Foreign Exchange Earned and Outgo	For the Financial Year ended 31st March, 2023	For the Financial Year ended 31st March, 2022
Foreign Currency Receivables	0.08	0.42
Foreign Exchange Payables		

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we furnish below the Corporate Governance Report for the Financial Year ended 31st March, 2023. The information given in this Report is as on 31st March, 2023, the changes in the Company's Management as on date is provided in the Board's Report.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is essentially a system by which Companies are governed and controlled by the management under the direction and supervision of the Board in the best interest of all the stakeholders. The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub-serve the long term growth of the Company and continue to give priority to the principles and practice of Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of Corporate Governance as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS ('Board')

a) Composition:

The Company had an optimum combination of Executive and Non-Executive Directors including one Woman Director which is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to maintain the independence of the Board and to separate the Board functions of governance and management.

As on 31st March, 2023, the Board of Directors comprised of 5 (five) Directors which includes, 1 (one) Whole - Time Director designated as Executive Director and 4 (four) Non - Executive Independent Directors including a Woman Director. All the members of the Board are persons with considerable experience and expertise in industry, finance, management and law.

The Chairman provides leadership to the Board and to the Management in strategizing and realizing business objectives. The Independent Directors contribute by giving their valuable guidance and inputs with their independent judgment on the overall business strategies and performance.

None of the Directors on the Board is a Member of more than 10 (ten) Committees and a Chairman of more than 5 (five) Committees (as specified in Regulation 26 (1) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 across all the Companies in which he/she is a Director as per the disclosures made by all the Directors.

None of the Independent Directors on the Board serve as an Independent Director in more than Seven Listed Companies and none of the Whole-time Directors on the Board serve as an Independent Director in more than three listed Companies.

Board of Directors as on 31.03.2023

1. Mr. Sandeep Sheth - Executive Director

Mr Sandeep Sheth is an eminent Chartered Accountant having post graduate degrees of Chartered Accountant (ICAI), Company Secretary (ICSI) and Masters in Finance (ICFAI). He has 26 years of rich experience in various Industries, post qualification of CA and is associated with the Gammon group since last 15 years. He has also acted as the Member of the management team for the company's strategy, growth, and execution.

He has worked closely with the Board & top management in devising a financial strategy that supported the company's business strategy. He is also has in depth knowledge in Accounts, Finance and various laws..

2. Mr. Soumendra Nath Sanyal – Independent Director

Mr. Sanyal aged 74 years has graduated from Jalpaiguri Govt. Engineering College, North Bengal University, West Bengal. He was employed with Gammon India Limited from 2009 to 2012 in charge of execution of projects as the "Chief Strategy Officer". He has a profound knowledge and experience in handling projects from concept, planning to delivery. He has successfully executed various projects which include bridges, industrial structures, tunnels for hydro power stations, factories and residential buildings, during his tenure with Gammon India Limited

3. Mr. Ulhas Dharmadhikari- Independent Director

Mr. Dharmadhikari aged 63 years has graduated from Jiwaji University, Gwalior as BE- Civil Engineering. He was employed with Gammon India Limited, B G Shirke Cont. Tech. Ltd, Pune, Gujarat Urban Development Company Ltd (A Govt. of Gujarat Company) Gandhinagar, Adani Ltd & Arvind Mills Ltd on various positions for the Project



GAMMON INDIA LIMITED

Concepts, Planning and implementations. Mr. Dharmadhikari has more than 35 years of experience in the field of Special Infrastructure such as Power Plants, Urban Utilities & Urban Infrastructure and Institutional & High end Real Estate. He joined Gujarat International Finance Tec City (GIFT CITY) - India's first International Financial Services Center and green field smart city as a CTO, President (Engineering) & Director in GIFT Water, GIFT Power and GIFT Solid waste cos, as first technical employee of the project. He led the strategic plans to advance the company's Visionary Project Oriented Objectives

4. Ms. Vinath Hegde- Independent Director

Ms. Hegde aged 61 years is an astute professional with 30 years' rich experience in Sales & Marketing, Brand Management and Product Management. She has hands on experience in charting out marketing strategies and contributing towards enhancing business volumes & growth and achieving profitability norms. She demonstrated expertise in development & implementation of promotion plans and handling communication for brands including all above the line and below the line activities. She is currently employed with Eureka Forbes Limited, Bombay, since December, 2004 as a General Manager – CRM. Previous to Eureka Forbes she was employed with Infomedia India Limited (Tata Infomedia), Mumbai as National Head – Manager from May'96 upto Dec'04. She has achieved the following qualifications:

- Masters in Marketing Management from **IES Management Institute, Mumbai**, University of Mumbai in 2010.
- Post Graduate Diploma in Masters of Human Resource Development from Indira Gandhi National Open University, New Delhi, India in 1996.
- Diploma in Marketing Management from University of Mumbai in 1994.

B.A (Psychology) from **National College, Mumbai**, University of Mumbai in 1983

5. Mr. Kashi Nath Chatterjee- Independent Director

Mr. Chatterjee aged 74 years is a B.Tech and has graduated from IIT Kanpur in 1975. He has also completed Civil Engineering from the Fellow Institution of Engineers, Kolkata, India in 1995. He was employed with Gammon India Limited from as Junior Engineer in the Year 1975 to Vice President (Projects) in the Year 2017. Presently he is acting as an Advisor – Contracts & Legal with Gammon Engineers & Contractors (Private) Ltd since December 2017. He has a profound knowledge and high professional expertise and experience in the construction & management of 36 bridges & 6 highways, besides 42 arbitration references & DRB in contracts in a career span of over 45 years. He also holds memberships & fellowships to numerous renowned professional bodies & institutions and also has exposure to large number of professional interactions through seminars & presentation of papers. He continues to share and disseminate engineering knowledge through lectures to senior engineering professionals of Govt. departments. He is also an Empaneled Arbitrator of Indian Roads Congress (IRC) and possesses expertise in handling numerous arbitrations in engineering contracts

b) Changes in Board Composition

During the Financial Year ended 31st March, 2023, the following changes have taken place in the Board composition:

- Mr. Sandeep Sheth was appointed as an Additional Whole-time Director designated as Executive Director of the Company w.e.f. 10th August, 2022 and as per the provisions of the Companies Act, 2013, his appointment was regularized by the shareholders at the Annual General Meeting held on 30th September, 2022.
- Mr. Anurag Choudhry – Executive Director & Chief Financial Officer, ceased to be Executive Director of the Company effective from 17th August, 2022, by virtue of expiry of his term. He continues to be the Chief Financial Officer of the Company.

c) Board Meetings

The Board meets at least once in each quarter inter-alia, to review the quarterly financial results. The gap between two consecutive Board meetings is less than 120 days. In addition the Board also meets whenever necessary. The Board periodically reviews compliance reports of all the laws applicable to the Company. Steps are taken by the Company to rectify instances of non - compliances.

During the Financial Year under review, the Company held 5 (five) Board Meetings on 21st June, 2022, 10th August, 2022, 14th November, 2022, 10th March, 2023 and 24th March, 2023.

d) Directors' Attendance Record and Directorships held

The names and categories of the Directors on the Board, their attendance at Board Meetings during the Financial Year and at the last Annual General Meeting (the Annual General Meeting for the Financial Year ended 31st March, 2022 which was held on 30th September, 2022), also the number of directorships and committee memberships held by them in other Companies are given below:

Name and Designation of Director	Category of Directors	No of Board Meetings during the financial year		Attendance at the last Annual General Meeting held on 30 th September, 2022	Directorships in other Listed Companies in India (as on 31st March, 2023) (other than in Gammon India Limited)	Committee Positions held (other than in Gammon India Limited)	
		Held	Attended			Chairman	Member
** Mr. Anurag Choudhry	Whole-Time Director designated as Executive Director & Chief Financial Officer	2	2	NA	0	0	0
#Mr. Sandeep Sheth	Whole-Time Director designated as Executive Director	3	3	Present	0	0	0
Mr. Soumendra Nath Sanyal	Non-Executive & Independent Director	5	5	Present	0	0	0
Mr. Ulhas Dharmadhikari	Non-Executive & Independent Director	5	5	Present	0	0	0
Ms. Vinath Hegde	Non-Executive & Independent Director	5	5	Present	0	0	0
Mr. Kashi Nath Chatterjee	Non-Executive & Independent Director	5	5	Present	0	0	0
Mr. Ajit B. Desai	Chief Executive Officer	5	5	Present	0	0	0
Mrs. Niki Shingade	Company Secretary	5	5	Present	0	0	0

** Mr. Anurag Choudhry – Executive Director & Chief Financial Officer, ceased to be Executive Director of the Company effective from 17th August, 2022, by virtue of expiry of his term. He continues to be the Chief Financial Officer of the Company.

Mr. Sandeep Sheth was appointed as an Additional Whole-time Director designated as Executive Director of the Company w.e.f. 10th August, 2022 and as per the provisions of the Companies Act, 2013, his appointment was regularized by the shareholders at the Annual General Meeting held on 30th September, 2022.

Information to the Board

The Board Meetings are held at the Registered Office of the Company or within the city limits. However, during the period under review, the meetings were held through video conferencing/other audio visual means in compliance with the provisions of the Companies Act, 2013 and the applicable SEBI Circulars pursuant to the COVID outbreak. Agenda of the business to be transacted at each meeting is given to the Board in advance together with relevant information and explanations. The Board deliberates on every matter placed before it, before arriving at a decision/approving such matters. The Company Secretary and Compliance Officer conveys the decisions of the Board to the Senior Management to initiate action. The information as required under Part A to Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being made available to the Board. The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the year.

e) Familiarization Program for the Independent Directors

The Company has in place a system to familiarize its Independent Directors with the operations of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

All the Independent Directors are updated about the ongoing events and developments relating to the Company from time to time either through presentations at Board or Committee Meetings.

The Independent Directors also have access to any information relating to the Company, whenever they so request. In addition presentations are made to the Board and its committees where Independent Directors get an opportunity to interact with members of the senior management. The Independent Directors also have interaction with the Statutory Auditors, Internal Auditors, and External Advisors, if any, appointed by the Company at the meetings.



The details of the familiarisation programme for Independent Directors are available on the website of the Company at - <http://www.gammonindia.com/investors/investors-downloads.htm>

f) Independent Directors' Meeting

In terms of the Schedule IV to the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors of the Company are required to hold at least one meeting in a financial year without the attendance of Non-Independent Directors and members of management.

During the year under review, Independent Directors of the Company met separately on 21st June, 2022 to, inter alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole, review the performance of the Chairman of the Company (taking into account the views of other Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company, Management and the Board that is necessary for the Board of Directors to effectively and reasonably perform their duties

g) Board Confirmation regarding Independence of the Independent Directors

All the Independent Directors of the Company have given declaration/disclosures under section 149(7) of the Act have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Further, the Board after taking these declaration/ disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

h) Chart/Matrix setting out the skills/experiences/

In compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has identified the following skills/expertise/competencies with reference to its Business and Industry that are fundamental for the effective functioning of the Company

Sr No	Skill Area
1	Strategic Thinking, Planning and Management
2	Leadership Traits
3	Accounting and Financial Management expertise
4	Expertise in Engineering and Construction, Infrastructure, Industrial Projects
5	Expertise in Transportation - Road, Bridges, Metros and urban transport system
6	Expertise in Hydro, Marine and Water projects
7	Expertise in Nuclear Power and Special Projects
8	Expertise in General Project Contracting
9	Expertise in Commerce, Fund Management, Legal, Communication, Economics
10	Information Technology/Digital Skills/additional skills

The Directors appointed on the Board are from diverse backgrounds and possess core skills/expertise/ competencies with regard to the industries/fields from where they have come.

J) Disclosures in relation to the Sexual Harassment of Women at Workplace

The Company has a well formulated Policy on Prevention & Redressal of Sexual Harassment. The objective of the Policy is to prohibit, prevent and address issues of sexual harassment at the workplace. The Policy covers all employees, irrespective of their nature of employment and is also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

The Company has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the financial year 2022-23, no case of Sexual Harassment was reported.

3. BOARD COMMITTEES

In compliance with the requirements of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board constituted / reconstituted the following committees:

- (i) Audit Committee (ii) Stakeholders Relationship Committee (iii) Nomination & Remuneration Committee (iv) Review Committee of Independent Directors.

The Board determines the constitution of the committees and the terms of reference for committee members including their roles and responsibilities.

a) **Mandatory Committees**

i. **Audit Committee Composition**

The Audit Committee as on 31st March, 2023 comprised of 4 (four) Non-Executive Independent Directors and 1 (one) Whole Time Director designated as Executive Director viz. (1) Mr. Soumendra Nath Sanyal (Chairman), (2) Mr. Ulhas Dharmadhikari (Member), (3) Mr. Sandeep Sheth (Member). (4) Mr. Kashi Nath Chatterjee (Member) and (5) Ms. Vinath Hegde (Member)

All the members of the Audit Committee are financially literate and have accounting related / financial management expertise.

The terms of reference of the Audit Committee which are consistent with Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are broadly as follows:

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board the appointment, re-appointment and removal of statutory auditors, cost auditors, branch auditors, secretarial auditors and fixation of their remuneration
- c) Approving the payments to statutory auditors for any other services rendered by them.
- d) Reviewing with management the annual financial statements and auditor's report before submission to the board for approval, focusing primarily on:

Matters required to be included in the Director's Responsibility Statement to be included in the Board Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

- Any changes in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on exercise of judgments by management;
 - Modified opinion(s) in draft audit report;
 - Significant adjustments made in the financial statements arising out of audit;
 - The going concern assumption;
 - Compliance with accounting standards;
 - Compliance with listing and legal requirements concerning financial statements;
 - All Related Party Transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc.
- e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - h) approval or any subsequent modification of transactions of the listed entity with related parties;
 - i) scrutiny of inter-corporate loans and investments;
 - j) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - k) evaluation of internal financial controls and risk management systems;
 - l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



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- n) discussion with internal auditors of any significant findings and follow up there on;
- o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) to review the functioning of the whistle blower mechanism;
- s) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- u) reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

Audit Committee Meetings

During the Financial Year ended 31st March, 2023, the Audit Committee held 5 (five) meetings on 21st June, 2022, 10th August, 2022, 14th November, 2022, 10th March, 2023 and 24th March, 2023. Necessary quorum was present at all the meetings.

The details of meetings attended by the Members are given below:-

Name of the Member	No. of Audit Committee Meetings attended
Mr. Soumendra Nath Sanyal – Chairman	5
**Mr. Anurag Choudhry – Member	2
#Mr. Sandeep Sheth – Member	3
Mr. Ulhas Dharmadhikari – Member	5
Mr. Kashi Nath Chatterjee – Member	5
Ms. Vinath Hegde	5

The Audit Committee meetings were held via video-conferencing in compliance with the provisions of SEBI Circulars pursuant to the COVID-19 outbreak and attended by invitation by the Finance Controllers, Representatives of the Statutory Auditors/Tax auditors and the Internal Auditors of the Company and various Business Heads.

Mr. Sandeep Sheth was appointed as a member of the Audit Committee w.e.f. 14th November, 2022.

** Mr. Anurag Choudhry – Executive Director & Chief Financial Officer, ceased to be Executive Director of the Company effective from 17th August, 2022, by virtue of expiry of his term. Accordingly he also ceased to be a member of the Audit Committee.

ii. Stakeholders' Relationship Committee

In order to ensure compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the role of Stakeholders Relationship Committee is to consider and resolve the grievances of all security holders of the Company including but not limited to complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividends.

Composition

As on 31st March, 2023 the Stakeholders' Relationship Committee comprised of 2 (two) Non-Executive Independent Directors and 1(one) Whole-Time Director designated as Executive Director. viz (1) Mr. Soumendra Nath Sanyal (Chairman), (2) Mr. Ulhas Dharmadhikari (Member) and (3) Mr. Sandeep Sheth (Member).

Terms of reference

The Stakeholders Relationship Committee primarily attends to and resolves grievances of the Company's shareholders and other stakeholders.

Stakeholders' Relationship Committee Meetings

During the Financial Year ended 31st March, 2023 the Committee held 4 (four) meetings on 15th December, 2022, 5th January, 2023, 7th January, 2023 and 22nd February, 2023. Necessary quorum was present at all the meetings.

The minutes of the Stakeholders' Relationship Committee are reviewed and noted by the Board of Directors at their meeting. The details of the Committee meetings attended by the Members are given below:

Name of the Member	No. of Committee Meetings attended
Mr. Soumendra Nath Sanyal	4
Mr. Mr. Ulhas Dharmadhikari	4
Mr. Sandeep Sheth	4

Details of Investor Complaints

No queries/complaints were received by the Company from Investors as detailed below. As on 31st March, 2023, there were no pending letters / complaints. The status of Investors complaints received up to 31st March 2023 is as stated below:

No. of Complaints received during the financial year ended 31 st March, 2023	1
No. of Complaints resolved as on 31 st March, 2023	1
No of Complaints pending as on 31 st March, 2023	Nil
No. of pending share transfers as on 31 st March, 2023	Nil

Name, Designation and Address of Compliance Officer and Investor Relations Officer

Mr. Nirav Shah - Company Secretary

Gammon India Limited
Gammon House,
Veer Savarkar Marg,
Prabhadevi, Mumbai 400025

iii. Nomination & Remuneration Committee Composition

As on 31st March, 2023 the Nomination & Remuneration Committee comprised of 3 (three) Non-Executive Independent Directors viz. (1) Mr. Soumendra Nath Sanyal (Chairman) (2) Mr. Ulhas Dharmadhikari (Member) and (3) Ms. Vinath Hegde (Member).

Terms of reference

The role of the Nomination and Remuneration Committee is:

- To identify persons who are qualified to become directors or who can be appointed in the senior management.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend the appointment / removal of directors or senior management personnel.
- To carry out evaluation of every director's performance.
- To formulate criteria for determining qualifications, positive attributes and independence of a director.
- To recommend to the Board, policy relating to remuneration for the Directors, Key Managerial Personnel and other Senior Employees and to review the policy at regular intervals.

Nomination and Remuneration Committee Meetings

During the Financial Year ended 31st March, 2023, the Committee held 1 (One) meeting on 10th August, 2022. Necessary quorum was present at all the meetings since all the members of the Committee attended the meeting.

Nomination and Remuneration Policy

The Nomination and Remuneration policy provides a framework for appointment of Directors, Key Managerial Personnel and Senior Management, their performance evaluation and fixing their remuneration based on their performance.



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As per Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual performance evaluation of the Independent Directors and Board was carried out by the Nomination and Remuneration Committee.

Details of Remuneration paid to Directors during the Financial Year ended 31st March, 2023

All Executive Directors are paid salary, allowances and perquisites while Non-Executive Independent Directors receive sitting fees for attending Board and Committee meetings. Further the Executive Directors is governed by an Agreement entered into between the Company and the Managerial Personnel, the terms and conditions of which have been duly approved by the Board and the Shareholders and/or the Central Government of the Company wherever necessary.

The Remuneration (including perquisites and benefits) paid to the Executive Directors during the Financial Year ended 31st March, 2023 is as follows: -

(Amount in Rs)

Name of Director	Mr. Anurag Choudhry (Salary from 1 st April 2022 till 17 th August 2022)	Mr Sandeep Sheth (Salary from 17 th August 2022 till 31 st March 2023)
Salary	24,27,419	32,37,592
Perquisites *	Nil	1,90,150
Commission	Nil	Nil
Performance Linked incentives	Nil	Nil
Total	24,27,419	34,27,742
Tenure:		
From	01 st April, 2022	10 th August, 2022
To	17 th August, 2022	31 st March 2023
Shares of Rs. 2/- each held as on 31 st March, 2023	--	NIL

* Perquisites includes employers contribution to Provident Fund, Superannuation Fund and Gratuity for Directors.

Service Contract, Severance Fees & Notice Period

The terms of employment stipulate a notice period of 3 (three) months, for termination of appointment of Chairman & Managing Director and Executive Directors, on either side. There is no provision for payment of severance fees.

Sitting Fees to Non-Executive Independent Directors –

Non-Executive Independent Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings. None of the Non-Executive Independent Directors have entered into any pecuniary transaction or have any monetary relationship with the Company.

Details of sitting fees paid/payable for attending Board and Committee Meetings during the Financial Year ended 31st March, 2023 are given below:

(Amount in Rs)

Name of Director	Committee Meeting**	Board Meeting	Total
Mr. Soumendra Nath Sanyal	72,000	72,000	144,000
Mr. Ulhas Dharmadhikari	72,000	72,000	144,000
Ms. Vinath Hegde	36,000	90,000	126,000
Mr. Kashi Nath Chatterjee	72,000	72,000	144,000

** Includes Audit Committee and Nomination & Remuneration Committee.

Details of Shareholding of Non-Executive Directors as on 31st March, 2023 in the Company is as under:

Name of Director	No of shares held	Percentage
Mr. Soumendra Nath Sanyal	Nil	Nil
Mr. Ulhas Dharmadhikari	Nil	Nil
Ms. Vinath Hegde	Nil	Nil
Mr. Kashi Nath Chatterjee	Nil	Nil

4. COMPANY POLICIES

The Board of Directors have approved and adopted the following policies which are hosted on the website of the Company viz. www.gammonindia.com

- i. Policy on Related Party Transactions
- ii. Policy on Material Subsidiaries
- iii. Whistle Blower Policy
- iv. Nomination & Remuneration Policy
- v. Preservation of Documents & Archival Policy
- vi. Policy on Determination of Materiality of Events or Information
- vii. Corporate Social Responsibility Policy
- viii. Insider Trading Prohibition Code
- ix. Familiarisation Programme
- x. Prevention of Sexual Harassment Policy (POSH)

OTHER INFORMATION

- a) The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is: L74999MH1922PLC000997.
- b) Code of Conduct

The Company has laid down a Code of Conduct for all Board members and the Senior Management Personnel. The Code of Conduct is available on the Company's website viz. www.gammonindia.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the Chief Executive Officer forms part of this Report.

- c) General Body Meetings

- i. Location, Date and Time of Annual General Meetings held during the last 3 (three) years:

The Annual General Meeting of the Company for the financial year ended 31st March, 2022, financial year ended 31st March, 2021, and financial year ended 31st March, 2020 were held, as detailed below:

AGM	Financial year/Period	Date & Time	Venue
100 th	31 st March, 2022	30 th September, 2022 at 2:00 p.m.	Video Conferencing and Other Audio Visual Means
99 th	31 st March, 2021	30 th September, 2021 at 2:00 p.m.	Video Conferencing and Other Audio Visual Means
98 th	31 st March, 2020	29 th December, 2020 at 2:00 p.m.	Video Conferencing and Other Audio Visual Means

Special Resolutions passed in the previous three Annual General Meetings:

30 th September, 2022	Special Resolution for appointment of Mr. Sandeep Sheth (DIN: 08781589) as a Wholetime Director designated as Executive Director of the Company for a period of 3 (three) years with effect from 10 th August, 2022 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting.
30 th September, 2021	Special Resolution for appointment of Mr. Sandeep Sheth (DIN: 08781589) as a Wholetime Director designated as Executive Director of the Company for a period of 3 (three) years with effect from 15 th April, 2021 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting.
29 th December, 2020	NIL

No resolutions were passed via Postal Ballot during the Financial Year 1st April, 2022 – 31st March, 2023.

5. OTHER DISCLOSURES

- i. Other than transactions entered into in the normal course of business for which necessary approvals are taken and disclosures made, the Company has not entered into any materially significant Related Party Transactions i.e. transactions of material nature, with its Promoters, Directors or the Management, their Subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.



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However the Company has annexed to the accounts a list of all related parties as per the Companies Act, 2013 and Accounting Standard 18 and the transactions entered into with them.

- ii. There were NIL penalties paid/levied by the Stock Exchanges with respect to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the previous 3 (three) Financial Years
- iii. A qualified practicing Company Secretary conducts Share Capital Reconciliation Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) along with shares held in physical form and the total issued and listed capital. The Share Capital Reconciliation Audit Report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- iv. The Chief Executive Officer has certified to the Board in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO / CFO Certification for the period ended 31st March, 2023.
- v. The Company has structured a Risk Management policy in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The risk framework covers the management's approach and initiatives taken to mitigate a host of business and industry risk by identifying such risks and redefining processes, decision making authorities, authorisation levels, risk and control documentation etc. and reviewing these periodically and details of the same are set out in the MDA which forms part of the Annual Report.
- vi. The Company is striving to adopt the discretionary requirements set out in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to enhance Corporate Governance.

6. MEANS OF COMMUNICATION

- a. Financial Results: The Financial Results shall be published in two newspapers – one English language national daily newspaper and one Marathi language newspaper and also uploaded on the Company's website viz. www.gammonindia.com. The Company strives to publish the Quarterly and Annual Financial Results as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same shall be submitted to the Stock Exchanges and uploaded on the Company's Website.
- b. News Releases, Presentations etc.: Official news releases, and all communications to Stock Exchanges are displayed on the Company's website viz. www.gammonindia.com. Official announcements are sent to the Stock Exchanges through online portals.
- c. Website: The Company's corporate website www.gammonindia.com provides information about the Company's business.
- d. Annual Report: Annual Report containing, inter-alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information including Corporate Governance Report and the Management Discussion and Analysis (MDA) Report which forms part of the Annual Report is circulated to the members and uploaded on the Company's website.

7. MANDATORY REQUIREMENTS

The Company has complied with the mandatory requirements of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance.

8. NON-MANDATORY REQUIREMENTS Subsidiary Monitoring Framework

All Subsidiaries of the Company are managed with their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders.

9. GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the 101 st Annual General Meeting	15 th February, 2024 via Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") pursuant to the AGM guidelines issued due to the COVID - 19 pandemic
Financial Calendar for the year Starting from 1st April, 2023 - 31st March, 2024 (Tentative)	Results for the quarter ending 30th June, 2023 - Second week of August, 2023. <ul style="list-style-type: none"> • Results for the half year ending 30th September, 2023 - Second week of November, 2023. • Results for the quarter ending 31st December, 2023 - Second week of February, 2024. • Results for the year ending 31st March, 2024 - Second week or last week of May, 2024
Date of Book Closure	Not Applicable

Listing on Stock Exchanges: Equity Shares	BSE Limited P. J. Towers, Dalal Street, Fort, Mumbai-400 001. Telephone: 022 - 2272 1233 / 34; Facsimile: 022 - 2272 1919 (Security code - 509550) The National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai-400 051. Telephone: 022- 2659 8100 / 8114; Facsimile: 022 – 2659 8137 / 8138 (Security code – GAMMONIND)
Listing Fees	For the Financial Year 2022-23, the Company has not paid Listing Fees to the National Stock Exchange of India and (BSE) Limited.
International Securities Identification No. (ISIN)	Equity: INE259B01020
Registrar & Share Transfer Agent	M/s. Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. Telephone: 022-4918 6270 Facsimile: 022-4918 6060 e-mail : rnt.helpdesk@linkintime.co.in
Share Transfer System	Trading in Company's shares on the Stock Exchanges takes place in electronic form. However physical shares are normally transferred and returned within 15 days from the date of lodgment provided the necessary documents are in order. However the shares of the Company are suspended for trading from 23 rd February, 2018 onwards.

MARKET PRICE DATA: Since the trading of the shares is suspended on both the stock exchanges where the shares of the Company are listed, this information is not available.

10. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2023:

Shareholding of Shares	No. of Shareholders	% of Total Shareholders	Total Shares	% of Total Shares
Upto 500	27992	64.20	4775752	1.29
501 - 1000	6036	13.84	5222942	1.41
1001 - 2000	3902	8.95	6320626	1.71
2001 - 3000	1544	3.54	4065247	1.10
3001 - 4000	829	1.90	3032968	0.82
4001 - 5000	792	1.81	3809034	1.03
5001 - 10000	1367	3.13	10531678	2.84
10001 and above	1135	2.60	331817158	89.78
TOTAL	43596	100	369573105	100

DEMATERIALISATION OF SHARES AS ON 31ST MARCH 2023:

Particulars	No. of Equity Shares	% of Share Capital
NSDL	326375930	89.24
CDSL	34844017	9.43
Physical	8353158	2.26
Total*	36,95,73,105	100.00

* Total share capital includes 7,25,800 equity shares held in abeyance.

Number of Shares held in Demat and Physical Mode:

12. TOP TEN SHAREHOLDERS AS ON 31ST MARCH, 2023

Sr. No.	Name of the Shareholder	Category	No. of shares	% of Shareholding
1	Canara Bank-Mumbai	Public	75511277	20.43
2	Punjab National Bank	Public	42960599	11.62
3	ICICI Bank Ltd	Public	39272129	10.63
4	Bank Of Baroda	Public	22104507	5.98

**GAMMON INDIA LIMITED**

Sr. No.	Name of the Shareholder	Category	No. of shares	% of Shareholding
5	Indian Bank	Public	19974706	5.40
6	Pacific Energy Pvt Ltd	Promoter Group	17913015	4.85
7	IDBI Bank Ltd.	Public	14053827	3.80
8	Abhijit Rajan	Promoter	8172459	2.21
9	Devyani Estate And Properties Pvt Ltd	Promoter Group	7182805	1.94
10	Gammon India Trust	Public	5804680	1.57

LISTING OF DEBT SECURITIES

The Secured Redeemable Non-Convertible Debentures issued by the Company were listed on the Wholesale Debt Market (WDM) Segment of The National Stock Exchange of India Limited (NSE). However pursuant to the SDR invoked by the Lenders of the Company, the NCD's were re-structured and partly transferred to other demerged companies.

14. DETAILS OF ONGOING PROJECT SITES –

Sr. No.	Name of the Project
1	Package ANV2: Construction of Viaduct Including Related Works for 5.27Km length, Kolkata Metro.
2	Kaleshwaram Project, Package Number 19, Investigation, Design and execution of water conveyor system with a capacity of 84.21 Cumecs from Tipparam Reservoir main canal – Reach - III with all associated works such as lined gravity canal, CM & CD works including distributor system. Of 25000 acres from Muhannabad (V) to Cheriyal (V) from Km 70.00 to Km 96.00.
3	Balance work of Regional Water supply scheme of 199 villages and their habitation of P.S. Jawaja, Tehsil Beawar, District Ajmer on Flouride Control Project on single responsibility turnkey Basis, i.e. Design ,Build, and 1 year defect liability and 9 years Operation & Maintenance

ADDRESS FOR CORRESPONDENCE**Registered Office:**

Floor 3rd, Plot No. 3/8, Hamilton House,

J.N. Heredia Marg, Ballard Estate, Mumbai - 400 038. Telephone : 022 - 22705562.

Website : www.gammonindia.com Email : investors@gammonindia.com

16. CATEGORIES OF SHAREHOLDERS: (AS ON 31ST MARCH 2023)

Sr. No	Category	No. of shares	Percentage
	Promoter Holding		
1	Resident	3,95,70,719	10.71
2	Non-Resident	30,86,435	0.84
	Non Promoter Holding		
3	Mutual Fund & UTI	100	0.00
4	Corporate Bodies	66,83,895	1.81
5	Banks, Financial Institutions, State & Central Govt.	22,91,53,114	62.00
6	Foreign Institutional Investors	1,39,302	0.04
7	NRIs / OCBs / Foreign Nationals / GDRs	1,12,73,329	3.05
8	Indian Public & Others	7,96,66,211	21.56
	GRAND TOTAL	36,95,73,105	100.00

* Total share capital includes 7,25,800 equity shares held in abeyance.

17. DISCLOSURE REGARDING COMPLIANCE WITH CORPORATE GOVERNANCE

The disclosures regarding compliance with Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been made in the Corporate Governance Report. The Company has obtained Certificate from M/s. V. V. Chakradeo & Co. Practising Company Secretary (COP - 1705) regarding compliance with the conditions of Corporate Governance, which is annexed to this Report.

To,
The Members of Gammon India Limited
DECLARATION BY THE CEO UNDER REGULATION 26(3) READ WITH SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

I, Mr. Ajit B. Desai – Chief Executive Officer of Gammon India Limited, hereby declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company applicable to them for the Financial Year ended 31st March, 2023.

Date: 27th December, 2023

Place: Mumbai

For **Gammon India Limited**

Ajit B. Desai

Chief Executive Officer

CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,
The Members of Gammon India Limited

We have examined the compliance of conditions of Corporate Governance by Gammon India Ltd. (the Company'), for the Financial Year ended 31st March, 2023, as stipulated in the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify, that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Provisions of LODR	Compliance status	Details of non-compliance
Regulation 33	Non-compliance	<i>The Company had delayed the submission of the financial statement for the Quarter and financial year ended 31st March, 2022 as the Board meeting of the Company scheduled to be held on 30th May, 2022 rescheduled to 21st June, 2022, the Entity uploaded the results on stock exchange accordingly.</i>
Regulation 76	Non-compliance	As per Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018 shall report to the stock exchange the Reconciliation of share capital audit report Within 30 days from the end of the quarter
Regulation 23 (9)	Non-compliance	The Company has delayed in filing, as per regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
Regulation 7(3)	Non-compliance	The Company has delayed in filing, as per regulation 7 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
Regulation 47(1)(b)	Non-compliance	The Company has not published financial results, as specified in Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

For **V. V. Chakradeo & Co.,**
Company Secretary

Date: 17th January, 2024

Place: Mumbai

V. V. Chakradeo

COP 1705

UDIN: F003382E003235151

**STANDALONE
FINANCIAL
STATEMENTS**



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Gammon India Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of Gammon India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) We invite attention to note no. 7(a) of the financial statement, detailing the recognition of claims during the earlier years in respect of on-going, completed and/or terminated contracts. The aggregate amount of claims outstanding as at March 31, 2023 is Rs. 151.39 crores. These claims were recognised only on the basis of opinion of an expert in the field of claims and arbitration. There are no further current updates from the expert, on the recovery of the claims, In view of the above-mentioned circumstances and facts we are unable to comment upon the amounts recognised, its realisation and the consequent effect on the financial statements for the year ended March 31, 2023.
- b) We invite attention to note no. 7(b) of the financial statement relating to the claim of CMRL project wherein the Company has accounted the award at an amount of Rs 532.00 Crores. This amount includes an amount of Rs 123.08 Crores which is subject matter of appeal arising from the award. The company has given an unfunded exposure of Rs. 51.25 Crores in form of Bank Guarantee. The Company has accounted for the entire award to its account although the award is in the name of joint venture as detailed in the note. In view of the final fructification of the award amount and the settlement of the JV proceeds as detailed in the aforesaid note we are unable to opine whether the entire amount will be to the account of the Company.
- c) We invite attention to note no. 4(a)(iii) of the financial statement relating to Trade receivables, inventories and loans and advances which includes an amount of Rs. 182.37 crores in respect of disputes in five projects of the Company and/or its SPVs. The Company is pursuing legal recourse/ negotiations for addressing the disputes in favour of the Company. Pending the conclusion of the matters we are unable to state whether any provisions would be required against the Company's exposure.
- d) We invite attention to note no 27 of the financial statement relating to penal interest and charges of Rs 91.11 crores during the year charged by the lenders on its facilities. Total amount of penal interest amount to Rs. 415.76 Crores up to March 31, 2023. The same has not been debited to profit and loss account as management is disputing the same and is in discussion with the lenders for reversal of the said penal interest and charges. In the absence of conclusion of the aforesaid discussion, we are unable to state whether any provision is required to be made against such penal interest and charges.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled

our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone Financial Statements.

Material Uncertainty relating to Going Concern.

We invite attention to note no. 37 of the financials statement relating to the present financial situation of the Company detailing the Material Uncertainties Relating to Going Concern and the Going Concern assumptions. The lenders had in the previous years recalled all the loans and facilities and also the Company's Current Liabilities exceeds Current Assets by Rs 9,496.94 Crore as at March 31, 2023. The Company is finding it difficult to meet its financial obligations and the resolution plan is under consideration by lenders. The liquidity crunch is affecting the Company's operation with increasing severity. The trading in equity shares of the Company is presently suspended. Some of the creditors have filed for winding up petitions against the Company. The company has severe manpower issues and is defaulting on its statutory and regulatory obligations. The Company's resolution plan is under consideration by the lenders as detailed in the aforesaid note but the final approval of all lenders and the execution of the plan and its success involves material uncertainties that may cast significant doubt about the Going Concern Assumption. Our report is not qualified on this account.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to the following matters;

- a) We draw attention to Note no 4(a)(i) & (ii) of the Statement relating to recoverability of an amount of Rs.291.42 crores as at March 31, 2023 under trade receivables in respect of contract revenue where the Company has received arbitration awards in its favour in respect of which the client has preferred an appeal for setting aside the said arbitration awards, recognition of claims while evaluating the jobs of Rs.7.56 crores where the Company is confident of recovery. The recoverability is dependent upon the final outcome of the appeals & negotiations getting resolved in favour of the company.
- b) We draw attention to Note no 4 (iv) of the Statement relating to the projects of real estate sector where the exposure is Rs. 23.33 crores. The management is confident of ultimate recovery of the amounts, and we have relied on the management assertions of recoverability.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Apart from what is mentioned in our paragraph titled Basis of Qualified Opinion and paragraph titled Material Uncertainty related to Going Concern there are no other matters described to be the key audit matters to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Company's Annual Report but does not include the Standalone and Consolidated Financial Statements and our Independent Auditors' Report thereon. We have read the Director's Report and Management Discussion and Analysis forming part of the Annual Report and found the same to be in order. However, the other contents of the Annual Report are expected to be made available to us after the date of this report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Other Information has not been made available to us till the date of this report. We will read the Other Information as and when it is made available to us and if conclude that there is a material misstatement, we are required to communicate the matter with those charged with governance and take necessary steps as may be required thereafter.



Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of "the Act" with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act and relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the company for the year ended March 31, 2023 included in these Ind AS financial statements have been audited by the predecessor auditor M/s. Nayan Parikh & Co. Chartered Accountants who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information dated June 21, 2022 expressed a modified opinion.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the possible effects of the matter described in Basis of Qualified Opinion paragraph the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. The matters described in paragraphs under the Basis for Qualified Opinion and the Material Uncertainty related to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, all the directors are disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.



GAMMON INDIA LIMITED

- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 33 to the standalone financial statements,
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
 - iii. The Company has to transfer amount of Rs 0.58 Crores to the Investor Education and Protection Fund.
 - iv. (a) The management has represented that, to the best of their knowledge and belief other than as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv(a.)) and (iv(b.)) above contain any material misstatement.
 - v. The Company has neither declared nor paid dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No- 106971W

Nuzhat Khan

Partner

M. No. 124960

Mumbai, Dated: October 28, 2023

UDIN: 23124960BGVGGJ2575

Annexure A to the Independent Auditors' Report**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gammon India Limited of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we state that:

- i) a. (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its
 - (B) The company does not have any intangible asset therefore clause 3(i)(a)(B) is not applicable.
 - a. Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification except assets at some of their terminated sites where the access to the assets are presently restrained and the matter is under dispute. The total value of assets at such sites is Rs. 1.50 crores (Net WDV).
 - b. We are informed by the management that all the title deeds of immovable properties are in custody of IDBI trusteeship Services Limited as part of Corporate Debt Restructuring norms with the lenders. We have therefore not verified the physical documents of immovable property and relied on the management representation for the same.
 - c. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - d. There are no proceedings initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventories at terminated sites valued at Rs. 6.58 crores. In our opinion, the frequency of such verification is reasonable. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and discrepancy noted were in excess of 10% in aggregate for each class of inventory and have been properly dealt with in the books of accounts of the Company.
 - (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. However, the company has not filed quarterly returns or statements of current assets with banks or financial institutions as the entire facilities from the lenders have become Non Performing Assets in the month June'17 and the Lenders have recalled all the loans and during the year no new working capital limit was sanctioned.
- (iii) (a) During the year, the Company has not made any investment in companies, firms, Limited Liability Partnerships. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, hence Clause 3(iii) (a) and 3(iii)(b) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
 - (c) In respect of the loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest have not been stipulated, hence we are unable to comment on the repayment of principal and interest outstanding.
 - (d) Since there are no stipulated repayments schedule for loans and advances, we are unable to opinion that no amount is overdue for more than ninety days.
 - (e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.



(f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, except as under:

(RS. In Crores)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	Rs. 3,330.05	-	Rs. 3,330.05
Total (A+B)	Rs. 3,330.05	-	Rs. 3,330.05
Percentage of loans/ advances in nature of loans to the total loans	98.46%		98.46%

- (iv) The company has complied with the provisions of section 185 and 186 of the Act with respect of loans granted, investments made, guarantees and security given to the extent applicable.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. Accordingly, para 3(v) of the Order is not applicable. We are informed by the management, that no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) The maintenance of the cost records under the sub-section (1) of section 148 of the Act has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has several instances of delay in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues to the appropriate authorities during the year.

On the basis of the audit procedures followed, test checks of the transaction and the representation from the Management there are no undisputed amount which were outstanding as at March 31, 2023 for a period of more than six months from the date they became payable except as given below, which is unpaid till date.

Name of the statute	Nature of dues	Amount (Rs in Crores)	Period to which the amount relates	Due date
Excise duty	Custom Duty	2.07	Prior to Apr 22	Prior to Apr 22
Sales Tax	Sales Tax	0.05	Prior to Apr 22	Prior to Apr 22
Sales Tax	Works Contract Tax	0.67	Prior to Apr 22	Prior to Apr 22
Employee provident fund	Labour welfare fund	0.00*	Prior to Apr 22	Prior to Apr 22
Employee provident fund act 1952	Provident Fund	0.20	Prior to Apr 22	Prior to Apr 22
Employee provident fund act 1952	Provident Fund	0.26	Apr 22 to Aug 22	15th of each subsequent month
Professional Tax act	Professional Tax	0.15	Prior to Apr 22	Prior to Apr 22
Professional Tax act	Professional Tax	0.00	Apr 22 to Aug 22	10th of each subsequent month
Others	Salary Saving Scheme	0.00*	Prior to Apr 22	Prior to Apr 22
Income Tax Act	TDS	0.01	Prior to Apr 22	Prior to Apr 22
Income Tax Act	TDS	0.57	Apr 22 to Aug 22	7th of each subsequent month
GST Act	Tamilnadu GST	0.00	June22	20/07/2022
GST Act	West Bengal GST	0.00	Apr22	20/05/2022
Total		3.98		

Note: * Balances with values below the rounding off norm adopted by the Company have been reflected as "0.00".

- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below:

Name of Statute	Nature of dues	Amount (In Crores)	Period to which Amount relates	Forum where dispute is pending
Sales Tax Act - Andhra Pradesh	Reassessment matter	0.04	2001-02	High Court
Sales Tax Act - Andhra Pradesh	Tax levied. Rule 6(3)(i)	2.10	2002-03	High Court
Sales Tax Act - Andhra Pradesh	Tax levied. Rule 6(3)(i)	1.64	2003-04	High Court
Sales Tax Act - Andhra Pradesh	Disallowance of Interstate purchase	0.24	2005-07	High Court
Sales Tax Act - Andhra Pradesh	Levy of Penalty	1.89	2005-07	High Court
Sales Tax Act - Uttar Pradesh	Taxes levied and denial of benefit of sec 3G and 3F2 b (1)	1.83	2003-04	Hon'ble High Court of Allahabad
Sales Tax Act - Uttar Pradesh	Taxes Levied and denial of Benefit of sec 3G and 3F2 b (1)	1.89	2004-05	Hon'ble High Court of Allahabad
Sales Tax Act - Uttar Pradesh	Taxes Levied and denial of Benefit of sec 3G and 3F2 b (1)	0.29	2007-08	A C Appeal
Sales Tax Act - Maharashtra	Denial of deduction on Pre cost component	0.06	1993-94 to 1994-95	Tribunal
Sales Tax Act - Maharashtra	Rate Difference – WCT	0.03	2000-01	Tribunal
Sales Tax Act - Maharashtra	Disallowance of WCT & BST	5.81	2000 to 2002	Jt. Appeal
Sales Tax Act - Maharashtra	Sales-In-Transit (I.E. 6(2) Sales disallowed)	4.72	2013-14	Jt. Appeal I
Sales Tax Act - Orissa	Lab. and Service Charges disallowed	0.11	1992-93 to 1999-00	A C Appeal
Sales Tax Act - Orissa	Various disallowance	0.11	2001-02	A C Appeal
Sales Tax Act - West Bengal	Tax demand	6.24	1997-98, 2010-11, 2009-10 and 2011-12	Sr. JCT (Appellate)
Sales Tax Act - West Bengal	Tax demand	0.38	2008-09	Revision Board
Sales Tax Act - West Bengal	Tax demand	2.39	2007-08	Tribunal
Sales Tax Act - West Bengal	Tax Demand	0.63	2007-08 (CST)	Tribunal
Sales Tax Act - Rajasthan	Increase in EC Fees	0.05	2007-08	Tax Law Board – Ajmer
Sales Tax Act - Assam	Tax demand.	0.60	2004-05	Revisional Board
	Total	31.04		
The Finance Act 1994	Service Tax	1.73	August, 2012 to January, 2016	CESTAT Mumbai
The Finance Act 1994	Service Tax	0.51	April 2010 to March 2015	CESTAT Mumbai
	Total	2.24		
Goods & Service Tax Act - Maharashtra	Tax demand	0.27	2017-18	Appeal Filed
Goods & Service Tax Act - Maharashtra	Tax Demand	0.12	2019-20	Not yet Filled
Goods & Service Tax Act - West Bengal	Increase in EC Fees	1.47	2017-18	Asst Commn of GST
Goods & Service Tax Act - Jharkhand	Tax demand.	0.00**	2018-19	Not yet Filled
	Total	1.86		



Name of Statute	Nature of dues	Amount (In Crores)	Period to which Amount relates	Forum where dispute is pending
The Income Tax Act 1961	Income Tax Assessment Order u/s 271(1)(c)	44.26	A.Y. 2007-08 to A.Y. 2011-12	CIT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 143(3)	63.32	A.Y. 2007-08 to A.Y. 2011-12	ITAT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 143(3)	15.00	AY 2012-13	CIT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 143(3)	1.14	AY 2017-18	CIT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 271AAA	10.85	AY 2010-11	CIT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 143(1)	1.09	AY 2019-20	CIT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 143(3) - JV	2.13	AY 2013-14	CIT Appeal
The Income Tax Act 1961	Income Tax Assessment Order U/s 156	53.69	AY 2018-19	Not yet Filled
The Income Tax Act 1961	TDS Intimation U/s 200A	8.98	A.Y. 2008-09 to A.Y. 2022-23	Not yet Filled
The Income Tax Act 1961	TDS Intimation U/s 200A (JV)	0.06	A.Y. 2008-09 to A.Y. 2022-23	Not yet Filled
	Total	200.51		
Provident Fund	Provident fund demand of Rs 2.56 crores (pertaining to job of the Company) for the earlier years , for which amount paid under protest is Rs 3.73 crores) by the Company.			

** Balances with values below the rounding off norm adopted by the Company have been reflected as "0.00"

- (viii) There are no transactions relating to previously unrecorded income that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has defaulted in servicing interest and principal repayment due to debenture holders, financial institutions and banks. The borrowings have become Non-Performing Assets (NPA) and lenders have recalled all the loans. The total amount of recalled debts are disclosed as current liabilities aggregating to Rs. 3859.87 Crores. Details are disclosed in statement 1. The amounts of delays in interest servicing in respect of Rupee Term Loan, FITL, Priority Loan, Working Capital Term Loan, Short term Loan, NCD, NCD FITL, CC and OD are shown in statement 2.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) During the company has not borrowed term loan during the year and therefore clause 3(ix)(c) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (d) On an overall examination of the Standalone Financial Statements of the Company, we report that no fresh funds were raised on short-term basis during the year and therefore reporting under clause 3(ix)(d) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

- (x) (a) The Company has not raised monies by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year. Hence, paragraph 3(x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures fully or partly or optionally during the year under audit. Hence, paragraph 3(x)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the company.
- (c) No whistle-blower complaints have been received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii) (b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) The company's internal audit system is not commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the company by the in-house internal audit department during the year and till the date of the report, in determining the nature, timing and extent of our audit procedures.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (xvi) (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.
- (b) The Group does not have any CICs as part of the Group.
- (xvii) The Company has incurred cash losses of Rs. 839.12 Crores in current financial year and Rs. 945.42 Crores in the immediate previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and also our paragraph on material uncertainty relating to going concern casting significant doubts, we are of the opinion that there exists material uncertainties in the management assumptions relating to the company's capability of meeting the financial liabilities existing as at the Balance sheet date as and when they fall due within next 12 months which casts significant doubts on the management ability to meet the liabilities as and when they fall due.



GAMMON INDIA LIMITED

(xx) The Company not required to spend towards Corporate Social Responsibility (CSR) for the year under audit and hence sub-clauses (3)(xx)(a) and 3(xx)(b) of The Companies (Auditors Report) Order 2020 is not applicable to the Company.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No- 106971W

Nuzhat Khan
Partner
M. No. 124960

Mumbai, Dated: October 28, 2023
UDIN: 23124960BGVGGJ2575

Annexure - B to the Auditors' Report**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Gammon India Limited of even date)****Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Standalone Financial Statements of Gammon India Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Standalone Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.



Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

Because of the inherent limitations of Internal Financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

In view of what is stated in our basis of Qualified Opinion we cannot state that the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Basis of Qualified Opinion

- a) The Company has laid down internal financial controls with reference to financial statements, however, its implementation and effectiveness in certain areas are affected due to severe manpower issues affecting timely preparation of financial statements.
- b) Our test of transactions revealed instances of control weaknesses which have inter-alia resulted from manpower and liquidity issues.
- c) Internal Audit carried out by the Company was not adequate considering the size and operations of the Company and was required to be more extensive with timely follow up and actions to correct the issues promptly. The internal audit has also revealed weaknesses in the systems and processes.

For Natvarlal Vepari & Co.

Chartered Accountants

Firm Registration No- 106971W

Nuzhat Khan

Partner

M. No. 124960

Mumbai, Dated: October 28, 2023

UDIN: 23124960BGVGGJ2575

Statement -1

Principal Default as at March 31, 2023, referred to In Para (ix) of The Annexure to Auditors' Report.

Nature of borrowing including debt securities	Name of the Lender	Amount not paid on due date (Rs in Crores)	No. of Delays
Term Loan	Indian Bank	141.70	More than 365 Days
Term Loan and working capital	Bank of Baroda	545.07	More than 365 Days
Term Loan	Bank of Maharashtra	132.36	More than 365 Days
Term Loan and working capital loan	Canara Bank	680.87	More than 365 Days
Non-Convertible debenture	Central Bank of India	17.33	More than 365 Days
Term Loan and working capital loan	DBS Bank	101.84	More than 365 Days
Non-Convertible debenture	GIC	31.15	More than 365 Days
Term Loan and working capital loan	ICICI Bank	227.35	More than 365 Days
Term Loan and working capital loan	IDBI Bank	810.78	More than 365 Days
Non-Convertible debenture	Indian Bank	8.67	More than 365 Days
Non-Convertible debenture	Karnataka Bank	8.67	More than 365 Days
Non-Convertible debenture	Life Insurance Corporation	178.24	More than 365 Days
Term loan and working capital loan	Punjab National Bank	536.70	More than 365 Days
Term Loan	UCO Bank	177.65	More than 365 Days
Non-Convertible debenture	United India Insurance	17.31	More than 365 Days
Non-Convertible debenture	Union Bank of India	244.18	More than 365 Days
	Total	3859.87	

Statement -2

Interest Default as at March 31, 2023, referred to In Para (ix) of The Annexure to Auditors' Report

Nature of borrowing including debt securities	Name of the Lender	Amount not paid on due date (Rs in Crores)	No. of Delays
Term loan	Indian Bank	22.01	More Than 365 days
Term loan	Bank of Baroda	13.54	More Than 365 days
Term loan	Bank of Maharashtra	0.96	From 1 to 365 days
Term loan	Bank of Maharashtra	27.81	More Than 365 days
Term loan	Canara Bank	158.73	From 1 to 365 days
Term loan	Canara Bank	615.73	More Than 365 days
Term Loan	DBS Bank	7.77	From 1 to 365 days
Term Loan	DBS Bank	60.18	More Than 365 days
Term Loan	ICICI Bank	1.12	From 1 to 365 days
Term Loan	ICICI Bank	33.59	More Than 365 days
Term Loan	IDBI Bank	73.14	More Than 365 days
Term Loan	Punjab National Bank	21.34	From 1 to 365 days
Term Loan	Punjab National Bank	398.78	More Than 365 days
Term Loan	Union Bank of India	55.90	From 1 to 365 days
Term Loan	Union Bank of India	49.66	More Than 365 days
Term Loan	UCO Bank	36.35	More Than 365 days
Term Loan	OBC Bank	17.48	From 1 to 365 days
Non-Convertible Debenture	OBC Bank	0.39	From 1 to 365 days
Non-Convertible Debenture	Central Bank of India	1.82	From 1 to 365 days
Non-Convertible Debenture	Central Bank of India	11.50	More Than 365 days
Non-Convertible Debenture	GIC	3.09	From 1 to 365 days
Non-Convertible Debenture	GIC	19.21	More Than 365 days
Non-Convertible Debenture	Indian Bank	2.26	From 1 to 365 days
Non-Convertible Debenture	Indian Bank	5.69	More Than 365 days
Non-Convertible Debenture	Karnataka Bank	0.91	From 1 to 365 days
Non-Convertible Debenture	Karnataka Bank	5.78	More Than 365 days
Non-Convertible Debenture	LIC	18.52	From 1 to 365 days
Non-Convertible Debenture	LIC	114.25	More Than 365 days
Non-Convertible Debenture	United Insurance	1.69	From 1 to 365 days
Non-Convertible Debenture	United Insurance	10.31	More Than 365 days
	Total	1,789.52*	

- Apart from above term loan default there is default in payment of interest to lenders for short term facility (cash credit, WCDL, Short term loan amounting to Rs 393.80 crores.



Standalone Statement of Assets and Liabilities as at March 31, 2023

(All figures are in ₹ in crores unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment and Intangible assets	2	405.17	412.11
(b) Capital work-in-progress		-	-
(c) Financial assets			
(i) Investments	3	44.67	121.67
(ii) Trade receivable	4	360.75	204.93
(iii) Loans	5	196.54	657.51
(iv) Others	6	23.91	107.02
(d) Deferred tax assets (net)		-	-
(e) Other non-current assets	7	1,117.26	1,199.34
TOTAL NON-CURRENT ASSETS		2,148.30	2,702.58
CURRENT ASSETS			
(a) Inventories	8	10.97	32.71
(b) Financial assets			
(i) Investments	3	0.03	0.03
(ii) Trade receivables	4	5.83	31.16
(iii) Cash and cash equivalents	9	0.00	0.01
(iv) Bank balances	9	1.56	10.26
(v) Loans	5	0.11	0.27
(vi) Others	6	32.07	29.85
(c) Current tax assets (net)		-	-
(d) Other current assets	7	65.65	95.50
TOTAL CURRENT ASSETS		116.22	199.79
TOTAL ASSETS		2,264.52	2,902.37
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	74.11	74.11
(b) Other equity	11	(7,607.31)	(6,067.21)
TOTAL EQUITY		(7,533.20)	(5,993.10)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	12	-	-
(ii) Trade payables			
- Total outstanding dues to Micro and Small Enterprises	13	-	-
- Total outstanding dues to other than Micro and Small Enterprises	13	11.70	11.96
(iii) Other financial liabilities	14	12.00	12.00
(b) Provisions	15	0.75	0.60
(c) Deferred tax liabilities (net)	16	92.79	104.34
(d) Other non-current liabilities	17	67.32	68.66
TOTAL NON-CURRENT LIABILITIES		184.56	197.56
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	18	-	-
(ii) Trade payables			
- Total outstanding dues to Micro and Small Enterprises	19	0.29	0.34
- Total outstanding dues to other than Micro and Small Enterprises	19	92.51	97.15
(iii) Other financial liabilities	20	8,999.09	8,114.47
(b) Other current liabilities	21	32.81	33.88
(c) Provisions	15	488.46	452.07
(d) Current tax liabilities (net)		-	-
TOTAL CURRENT LIABILITIES		9,613.16	8,697.91
TOTAL EQUITY AND LIABILITIES		2,264.52	2,902.37

Statement of significant accounting policies and explanatory notes forms an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors
Gammon India Limited

For Natvarlal Vepari & Company

Chartered Accountants
Firm Registration No. 107023W

Anurag Choudhry
Chief Financial Officer

Sandeep Sheth
Executive Director
DIN No. 08781589

Nuzhat Khan

Partner
M.No. 124960
Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

Ajit B. Desai
Chief Executive Officer

Niki Shingade
Company Secretary
M.No.ACS 19594

Standalone Statement of Profit and Loss for the period ended 31 March 2023

(All figures are in ₹ in crores unless otherwise stated)

Particulars		Note No.	April 2022 - March 2023	April 2021 - March 2022
I	Revenue from Operations	22	101.48	27.66
II	Other Income	23	21.96	25.27
III	Total Income		123.44	52.93
IV	Expenses:			
	Cost of material consumed	24	16.41	12.11
	Changes in WIP & FG	25	21.95	-
	Subcontracting Expenses		8.99	14.29
	Employee benefits expense	26	8.87	8.09
	Finance Costs	27	813.29	721.90
	Depreciation & amortization	28	2.14	3.61
	Other expenses	29	150.97	246.72
	Total Expenses		1,022.62	1,006.72
V	Profit/(Loss) before exceptional items and tax		(899.18)	(953.79)
VI	Exceptional items (Income) / Expense	30	652.46	130.76
VII	Profit / (Loss) before tax		(1,551.63)	(1,084.55)
VIII	Tax expenses	31		
	Current Tax		-	-
	Excess / Short Provision of Earlier years		-	-
	Deferred Tax Liability / (asset)		(11.55)	1.20
	Total tax expenses		(11.55)	1.20
IX	Profit / (Loss) for the year		(1,540.08)	(1,085.75)
X	Other Comprehensive Income:			
	Items that will not be reclassified to profit or loss			
	Remeasurement gain / (loss) on Actuarial		(0.02)	0.02
	Net gain/ loss on equity instrument through OCI		-	-
			(0.02)	0.02
XI	Total Comprehensive Income / (Loss) for the period		(1,540.10)	(1,085.73)
XII	Earnings per equity share of the face value of ₹ 2 each	32		
	Basic		(41.75)	(29.44)
	Diluted		(41.75)	(29.44)

As per our report of even date

For Natvarlal Vepari & Company

Chartered Accountants
Firm Registration No. 107023W

Nuzhat Khan

Partner
M.No. 124960
Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

For and on behalf of the Board of Directors

Gammon India Limited

Anurag Choudhry
Chief Financial Officer

Sandeep Sheth
Executive Director
DIN No. 08781589

Ajit B. Desai
Chief Executive Officer

Niki Shingade
Company Secretary
M.No.ACS 19594



Standalone Cash Flow Statement For the Year Ended 31 March 2023

(All figures are in ₹ in crores unless otherwise stated)

Particulars		April to March 2023	April to March 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax and Extraordinary Items	(1,551.63)	(1,084.55)
	Adjustments for :		
	Depreciation	2.14	3.61
	(Profit) / Loss on Sale of Assets	(5.58)	0.17
	Net (Profit)/loss on financial asset through FVTPL	-	0.02
	Interest Expenses	813.29	721.90
	Provision for Doubtful Debts and Advances	20.45	2.02
	Provision for Risk & contingencies	36.36	
	Proviison of Investment	(0.03)	-
	Foreign Exchange Loss / (Gain)	37.47	2.72
	Interest Income	(10.28)	(11.45)
	Bad Debts	3.00	-
	Exceptional Items	652.46	130.76
	Contract Asset Write off	10.85	-
	Loss on recognition of Award	21.36	225.79
	Sundry Balances Written off	4.68	2.23
	Sundry Balances Written Back	(2.38)	(6.68)
	Operating Profit Before Working Capital Changes	32.16	(13.46)
	Trade and Other Financial Receivables	(53.37)	2.38
	Inventories	(0.21)	0.42
	Trade Payables and Provision	(2.45)	(1.74)
	Other Financials and Non Financial Assets	12.54	11.44
	Other financial liabilities	5.86	0.95
	Other non-financial liabilities	(1.26)	1.47
	CASH GENERATED FROM THE OPERATIONS	(6.74)	1.46
	Direct Taxes Paid / (Refund)	0.91	1.16
	Net Cash from Operating Activities	(7.65)	0.30
B	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Proceeds from Sales PPE	1.78	2.17
	Investment	0.00	-
	Other Bank Balance	8.70	(2.50)
	Interest Received	0.86	0.02
	Net Cash from Investment Activities	11.35	(0.31)

Standalone Cash Flow Statement For the Year Ended 31 March 2023

(All figures are in ₹ in crores unless otherwise stated)

Particulars		April to March 2023	April to March 2022
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest paid	(0.36)	-
	Net proceeds from Short term Borrowings	(3.35)	-
	Net Cash from Financing Activities	(3.71)	-
	NET INCREASE IN CASH AND CASH EQUIVALENTS	(0.01)	(0.01)
	Opening Balance	0.01	0.02
	Closing Balance	0.00	0.01
	NET INCREASE IN CASH AND CASH EQUIVALENTS	(0.01)	(0.01)
	Components of Cash and Cash Equivalents		
	Cash on Hand	0.00	0.01
	Balances with Bank	-	-
	Total Balance	0.00	0.01

Note: Figure in brackets denote outflows

Statement of significant accounting policies and explanatory notes forms an integral part of the Financial Statements

As per our report of even date

For Natvarlal Vepari & Company

Chartered Accountants
Firm Registration No. 107023W

Nuzhat Khan

Partner
M.No. 124960
Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

For and on behalf of the Board of Directors
Gammon India Limited

Anurag Choudhry
Chief Financial Officer

Ajit B. Desai
Chief Executive Officer

Sandeep Sheth
Executive Director
DIN No. 08781589

Niki Shingade
Company Secretary
M.No.ACS 19594



Notes to standalone financial statements for the period ended March 31 2023

Statement of Changes in Equity for the period ended March 31, 2023

(All figures are in ₹ in crores unless otherwise stated)

A Equity Share Capital

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	₹ in crore	Number of Shares	₹ in crore
Subscribed and Fully Paid up Capital				
Equity shares of INR 10 each				
Opening Balance	36,88,47,305	73.77	36,88,47,305	73.77
Changes in equity share capital during the year	-	-	-	-
Closing Balance	36,88,47,305	73.77	36,88,47,305	73.77
Share Forfeiture Account				
Money received in respect of Right Shares of Rs.10/- each forfeited	1,70,948	0.34	1,70,948	0.34
Total	36,90,18,253	74.11	36,90,18,253	74.11

B Other Equity

Particulars	Retained Earnings	Capital Redemption Reserve	Capital Reserve	Security Premium Reserve	Debenture Redemption Reserve	General Reserve	Promoters Contribution	Treasury Shares	Net gain/ (loss) on fair value of equity instruments	Total
Balance as at 31 March 2021	(6,904.93)	105.00	11.52	1,262.20	81.00	363.06	100.00	(1.69)	2.35	(4,981.48)
Profit for the year	(1,085.75)									(1,085.75)
Re-measurement of net defined benefit plans	0.02									0.02
Fair Valuation of Investment carried at FVTOCI										
Balance as at 31 March 2022	(7,990.66)	105.00	11.52	1,262.20	81.00	363.06	100.00	(1.69)	2.35	(6,067.21)
Profit for the year	(1,540.08)									(1,540.08)
Re-measurement of net defined benefit plans	(0.02)									(0.02)
Fair Valuation of Investment carried at FVTOCI										
Balance as at 31 March 2023	(9,530.76)	105.00	11.52	1,262.20	81.00	363.06	100.00	(1.69)	2.35	(7,607.31)

(a) General Reserve

The General Reserve is created to comply with The Companies (Transfer of Profit to Reserve) Rules 1975.

(b) Securities premium reserve

Securities premium is used to record the premium on issue of shares or debentures. The reserve will be utilised in accordance with the provisions of the Act.

(c) Debenture Redemption Reserve

In accordance with Circular issued by Ministry of Corporate Affairs No. 04/2013 dated 11.02.2013 the Company is maintaining the Debenture Redemption Reserve to the extent of 25% of the outstanding debentures. In accordance with the Companies (Share Capital and Debenture) Rules, 2014 the Company is maintaining the Debenture Redemption Reserve to the extent of 25% of the outstanding debentures. The Company has however not set aside or earmarked liquid assets of ₹ 43.25 crores (PY: ₹ 43.25 crore) being 15% of the amount of Debenture due for redemption as at March 2022 as required by the aforesaid Circular in view of the financial crunch faced by the Company. Since the entire facility is recalled by the lenders the entire amount of Non Convertible Debenture is considered as current and 15% of earmarked fund is calculated on the entire amount.

(d) Capital Reserve

Pursuant to a Scheme of Arrangement between the company, Transrail Lighting Limited (TLL) and their respective shareholders and creditors pursuant to Sections 391 to 394 read with sections 100 to 103 of the Companies Act, 1956 for transfer of the retained Transmission and Distribution Undertaking (as defined in the scheme) of GIL and in accordance with the directions of the National Company Law Tribunal (“NCLT”) the company has recorded the fair value of the consideration received from TLL by way of 725,000 Equity Shares issued by TLL as Non-Current Investments and has derecognised book values of the assets and liabilities of retained T&D Undertaking transferred to TLL. The resultant difference of Rs 11.52 crore has been credited to Capital reserve account.

(e) Promoters Contribution

The Company had pursuant to the Shareholders approval in May, 2015, received Rs. 100 Crore to issue Unsecured Zero Coupon Compulsorily Convertible Debentures (“CCD’s”) to the promoters against their contribution made to the Company’s Corporate Debt Restructuring (“CDR”) package. However no allotment was made, since the in-principle approval for allotment was awaited from BSE Limited.

On 26th April, 2016, BSE has directed the Company to modify the “relevant date” adopted by the Company for the pricing of the CCD’s and seek shareholders approval afresh.

(f) Treasury Shares

Pursuant to the Scheme of Amalgamation with ATSL in 2008, the Company owns 58,04,620 Equity Shares of itself through Gammon India Trust which was allotted the shares against the Company’s holding in erstwhile ATSL in terms of the order of the Hon’ble High Court of Mumbai and Gujarat.

As per our report of even date

For Natvarlal Vepari & Company

Chartered Accountants
Firm Registration No. 107023W

Nuzhat Khan

Partner
M.No. 124960
Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

For and on behalf of the Board of Directors
Gammon India Limited

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Chief Financial Officer

Ajit B. Desai
Chief Executive Officer

Sandeep Sheth
Executive Director
DIN No. 08781589

Niki Shingade
Company Secretary
M.No.ACS 19594



Summary of significant accounting policies and other explanatory information to the standalone financial statements for the year ended March 31, 2023

A. CORPORATE INFORMATION

Gammon India Limited is a civil engineering construction company incorporated in the year 1922. It originated as a construction business in the year 1919 founded by John C. Gammon and was taken over by its Promoter Mr. Abhijit Rajan in the year 1991.

Prominently it is one of the largest infrastructure companies in India with several multifarious civil engineering projects to its credit. Broadly, its specific segments of specialisation in infrastructure are transportation, power projects, transmission & distribution, structural designs, irrigation projects, ground engineering & water supply. Having established its leadership in construction and turnkey projects, it is also accredited with expertise in roads, flyovers and bridges. Besides its large scale of operations in the Construction and Infrastructure domain, Gammon has a dominant presence in energy business in which it operates in the hydro, nuclear and thermal power segments- having India's first second generation nuclear power plant in Kalapakkam to its credit.

Gammon's projects cover businesses and projects involving highways, public utilities, environmental engineering and marine structures. Gammon's expertise also covers the design, financing, construction and operation of modern bridges, ports, harbours, thermal & nuclear power stations, viaducts, dams, high-rise structures, chemical & fertiliser complexes and metro rail, both on a Built-Operate-Transfer (BOT) basis as well as contract execution. Gammon is also active in the Social Infrastructure sector through its operations in the realty project segment

The Financial Statements are approved for issue by the Company's Board of Directors in the meeting held on October 28, 2023.

B. Recent Pronouncements

Ministry of corporate affairs (MCA) notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued and amended from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

a. Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

b. Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

c. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty" Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

C. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values which are disclosed in the Financial Statements, the provisions of the Companies Act, 2013 ('Act') (to the extent notified).

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

ii) Revenue Recognition

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for construction of highways, water pipeline projects construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc.

Construction Activity

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services

The Companies performance creates or enhances an asset that the customer controls as the asset is created or enhanced and as per the terms of the contract, the Company has an enforceable right to payment for performance completed till date. Hence the Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time. The Company recognises revenue at the transaction price which is determined on the basis of agreement entered into with the customer. The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

Awards & Claims

- The awards are recognised as revenue as soon as the Company receives an award determining the quantum of award pursuant to arbitration or other conciliation process
- The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims

Measurement of performance obligation

The Company uses cost based input method for measuring progress for performance obligation satisfied over time. Under this method, the Company recognises revenue in proportion to the actual project cost incurred as against the total estimated project cost. The management reviews and revises its measure of progress periodically and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

Contract costs

Costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Provision for future losses

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances**Contract assets**

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets as stated in notes to financial statement.



Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received advance payments from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the consideration received.

Turnover

Turnover represents work certified upto and after taking into consideration the actual cost incurred and the profit evaluated by adopting the percentage of work completion method of accounting.

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Other Revenues

All other revenues are recognized on accrual basis

iii) **Joint Ventures**

- a) Joint Venture Contracts under Consortium are accounted as independent contracts to the extent of work completion.
- b) In Joint Venture Contracts under Profit Sharing Arrangement, services rendered to Joint Ventures are accounted as income on accrual basis, profit or loss is accounted as and when determined by the Joint Venture and net investment in Joint Venture is reflected as investments or loans & advances or current liabilities.

iv) **Employee benefits**

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

v) Property, plant and equipment

Property, plant and equipment are stated at cost/deemed cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

Property, plant and equipment are derecognised from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 or as determined by the Independent Valuer as the case maybe. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition / deletion.

vi) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



vii) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

viii) Impairment of Non-financial Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's fair value less cost to sell.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

ix) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

x) Inventories

Material at Construction Site are valued at lower of cost and net realisable value. Costs are valued at net of Goods and service Tax wherever applicable. Stores and spares, loose tools are valued at cost except unserviceable and obsolete items that are valued at estimated realisable value thereof. Costs are determined on Weighted Average Method.

Work In Progress on construction contracts are carried at lower of assessed value of work done less bill certified and net realisable value.

Real Estate : Work In Progress on construction contracts reflects value of land, material inputs and project expenses.

Other -Scrap Material - At net realisable value

xi) Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

xii) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

Other borrowing costs are recognized as expenses in the period in which they are incurred.

In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

xiii) **Taxes on income**

Current Taxes

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/ appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

xiv) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent liabilities and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

xv) **Earnings Per Share**

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.



xvi) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets/liabilities are classified as non-current.

All other liabilities are classified as non-current.

xvii) Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

xviii) **Financial instruments****Financial assets****I. Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

II. Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at Fair Value through Other Comprehensive Income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

III. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset,



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the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

IV. Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

V. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the Financial Assets measured at amortized cost.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

I. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

II. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are

not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

III. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

IV. Derivative financial instruments

The Company enters into derivative contracts to hedge foreign currency price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

xix) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

xx) Trade Payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.



2 Property, Plant and Equipment and Intangible assets

Detailed Asset Class Wise Addition, Adjustment, Depreciation, Changes at Net Block

Tangible Assets

(All Figures are in ₹ in Crore unless otherwise stated)

Particulars	Leasehold Land*	Freehold Property*	Plant & Machinery	Motor Vehicles	Office Equipments	Furniture & Fixtures	Total
GROSS BLOCK							
As at 31 March 2021	393.14	41.71	91.46	1.60	0.80	0.46	529.17
Additions	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	13.04	0.08	-	-	13.12
As at 31 March 2022	393.14	41.71	78.42	1.52	0.80	0.46	516.05
Additions	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	29.58	0.10	-	-	29.68
As at 31st March 2023	393.14	41.71	48.84	1.42	0.80	0.46	486.37
DEPRECIATION							
As at 31 March 2021	-	32.22	76.11	1.53	0.78	0.46	111.10
Charge for the Year	-	0.83	2.77	-	0.01	-	3.61
Disposals/Adjustments	-	-	10.72	0.07	-	-	10.79
As at 31 March 2022	-	33.05	68.16	1.46	0.79	0.46	103.92
Additions	-	0.83	1.30	-	0.01	-	2.14
Disposals/Adjustments	-	-	24.76	0.10	-	-	24.86
As at 31st March 2023	-	33.88	44.70	1.36	0.80	0.46	81.20
NET BLOCK							
As at 31 March 2022	393.14	8.66	10.27	0.06	0.01	-	412.13
As at 31st March 2023	393.14	7.83	4.15	0.06	-	-	405.17

* Refer note no.37

3 Financial Assets

Particulars	As at		As at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Non- Current		Current	
A Investment carried at amortised Cost				
1 Equity Instrument of Subsidiaries -Indian	36.85	98.91	-	-
Equity Instrument of Subsidiaries -Indian - Impaired	1,606.61	1,544.52		
Less - Provision for impairment	(1,606.61)	(1,544.52)		
2 Equity Instrument of Subsidiaries - Foreign	-	14.94	-	-
Equity Instrument of Subsidiaries - Foreign - Impaired	45.26	30.33		
Less - Provision for impairment	(45.26)	(30.33)		
3 Equity Instrument - Others- India	-	-	-	-
Equity Instrument - Others- India - Impaired	0.69	0.71		
Less - Provision for impairment	(0.69)	(0.71)		
4 Equity Instrument - Others- Foreign - Impaired	19.70	19.70	-	-
Less - Provision for impairment	(19.70)	(19.70)		
5 Government Securities	0.54	0.54	-	-
6 Partnership Firm -Impaired	0.00	0.00	-	-
Less - Provision for impairment	(0.00)	(0.00)		
Total	37.39	114.39	-	-

Particulars	As at		As at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Non- Current		Current	
B Other Investments (At Fair value through OCI)				
Equity Shares	7.28	7.28		
Total	7.28	7.28	-	-
C Other Investments (At Fair value through P&L)				
1 Equity Shares	-	-	0.03	0.03
2 Liquid Mutual Funds	-	-	0.00	0.00
Total	-	-	0.03	0.03
Grand Total	44.67	121.67	0.03	0.03
Disclosure:				
i) Investment carried at Cost	37.39	114.39	-	-
ii) Investment carried at FVTOCI	7.28	7.28	-	-
iii) Investment carried at FVTPL	-	-	0.03	0.03

I Details of Investments

A Non Current Investments:-

1) Investment in equity instruments of Subsidiaries (Indian)

Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Unquoted Equity Instrument (Fully paid-up unless otherwise stated)					
Ansaldoaldiae Boilers India Private Limited	10	3,67,00,000	5.84	3,67,00,000	5.84
ATSL Infrastructure Project Limited	10	25,500	0.03	25,500	0.03
Deepmala Infrastructure Private Limited	10	5,100	-	5,100	62.09
Gammon Real Estate Developers Private Limited	10	10,000	0.01	10,000	0.01
Franco Tosi Turbines Private Limited	10	10,000	0.01	10,000	0.01
Gammon Power Limited	10	2,25,45,000	5.82	2,25,45,000	5.82
Gammon Retail Infra Private Limited (Fully paid-up)	10	10,000	0.03	10,000	0.03
Gammon Retail Infra Private Limited (Partly paid Rs. 8 paid-up)	10	50,000	0.04	50,000	0.04
Metropolitan Infrahousing Private Limited	10	8,416	25.00	8,416	25.00
Patna Water Supply Distribution Network Private Limited	10	7,399	0.01	7,399	0.01
SAE Transmission India Limited	10	50,000	0.05	50,000	0.05
Tidong Hydro Power Limited	10	25,500	-	-	-
			36.84		98.93
Less : Transfer of Beneficial Interest in SPV's in lieu of Deposit received			-		0.03
Total			36.85		98.91



Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Investment in equity instruments of Subsidiaries (Indian) - Impaired					
ACBI Investment		-	37.15	-	37.15
Deepmala Infrastructure Private Limited			62.09		
Gammon Power Limited		-	716.45	-	716.45
Gactel Turnkey Projects Limited	10	50,50,000	19.59	50,50,000	19.59
Metropolitan Infrahousing Private Limited		-	711.48	-	711.48
Gammon Realty Limited		-	59.85	-	59.85
Total			1,606.61		1,544.52

2) Investment in equity instruments of Subsidiaries (Foreign)

Particulars	Face Value	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Unquoted Equity Instrument (Fully paid-up unless otherwise stated)					
Gammon Holdings (Mauritius) Limited	USD 1	-	-	15,000	2.85
Gammon International B.V.	EUR 100	-	-	180	12.09
Total			-		14.94

Investment in equity instruments of Subsidiaries (Foreign) - Impaired

	Face Value	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Gammon Holdings (Mauritius) Limited	USD 1	15,000	2.85		
Gammon International B.V.	EUR 100	180	12.09		
PVAN Investment	EUR 453.78	35	0.05	35	0.05
ATSL Holding BV	EUR 100	180	0.12	180	0.12
Associated Transrail Str Ltd - Nigeria	NGN 1	1,00,00,000	0.36	1,00,00,000	0.36
Gammon Holding BV	EUR 100	180	12.28	180	12.28
Gammon Holdings B.V.			2.73		2.73
(for Franco Tosi Meccania S.p.A.)					
ATSL Holdings B.V. (Netherland)	EUR 100	180	2.18	180	2
ATSL Holdings B.V. (Netherland)	-	-	5.91	-	6
(for SAE Power lines srl)					
Gammon International FZE	AED 150000	1	0.17	1	0
P.Van Eerd Beheersmaatschappij B.V.	EUR 453.78	35	1.87	35	2
Campo Puma Oriente S.A.	USD 1	6,441	4.66	6,441	4.66
Total			45.26		30.33

3) Investment in equity instruments -Others- Indian

Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Unquoted Equity Instrument (Fully paid-up unless otherwise stated)					
Indira Container Terminal Private Limited	10	2,64,07,160	26.41	2,64,07,160	26.41
Less : Transfer of Beneficial Interest in lieu of Deposit received			(26.41)		(26.41)
Total			-		-

Investment in equity instruments -Others- Indian - Impaired

Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Air Screw India Ltd.	100	200	0.00	200	0.00
Bhagirathi Bcc Ltd.	100	300	0.00	300	0.00
Shah Gammon Limited	100	835	0.01	835	0.01
STFA Piling India Ltd.	10	2,17,321	0.22	2,17,321	0.22
Gammon Shah		-	0.00	-	0.00
Alpine Environmental Engineers Limited	100	204	0.00	204.00	0.00
Modern Flats Limited (Unquoted)	10	2,040	0.00	2,040.00	0.00
Plamach Turnkeys Limited	100	600	0.01	600.00	0.01
Rajahmundry Godavari Bridge Limited	10	4,41,250	0.44	4,41,250.00	0.44
Tidong Hydro Power Limited	10		-	25,500.00	0.03
Others		-	0.00	-	0.00
Total			0.69		0.71

4) Investment in equity instruments -Others- Foreign

Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Unquoted Equity Instrument (Fully paid-up unless otherwise stated)					
Gammon Mideast Limited, Dhs.1,000 each Dhs.7,85,000 (under Liquidation) (Fully Provided)		1,142	0.18	1,142	0.18
Finest S.p.A, Italy (Associate)	EUR 1	7,80,000	19.52	7,80,000	19.52
Total			19.70		19.70

5) Government Securities

Particulars	March 31, 2023		March 31, 2022	
	Amount		Amount	
Unquoted*				
Government Securities Lodged with Contractees as Deposit :				
Sardar Sarovar Narmada Nigam Ltd - Bonds		0.30		0.30
Others		0.12		0.12
Government Securities Others :		0.12		0.12
Total		0.54		0.54

*Note: The balances are unconfirmed

6) Investment in Partnership Firm

Particulars	March 31, 2023		March 31, 2022	
	Amount		Amount	
Unquoted				
Gammon Shah (fully provided for) (Refer Note 1)		0.00		0.00
Total		0.00		0.00

B Other Investments (At Fair value through OCI)

Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
Gammon Engineers and Contractors Pvt. Ltd.	10	10,53,169	4.21	10,53,169	4.21
Transrail Lighting Limited	10	77,954	3.07	77,954	3.07
Total			7.28	11,31,123.00	7.28
Total Non-Current Investments			44.67		121.67



GAMMON INDIA LIMITED

Consequent to invocation of pledge shares, GECPL / TLL ceased to be an associate and accordingly is disclosed as Other Investment, The Company has accounted the said Investment at Fair Value through Other Comprehensive Income by making the election as required by the Standards. based on valuation considered by lenders for pledge invocation during the year 2018-19 said investment was fair valued in March 2019.

Therefore these investments are carried at the value of March 2019, although the said investment is being accounted on FVTOCI.

C Current Investments:-

Investment in Shares and Mutual Funds

Particulars	Face Value in ₹	March 31, 2023		March 31, 2022	
		Nos/ Units	Amount	Nos/ Units	Amount
Quoted					
i) Investments carried at fair value through Profit and Loss					
Equity Shares					
Technofab Engineering Limited** (Refer Note 1)	10	55,000	0.03	55,000	0.03
Total			0.03		0.03

**Note: The balances are unconfirmed

Particulars	Face Value In Rs.	March 31, 2023		March 31, 2022	
		Nos/ Units	Amount	Nos/ Units	Amount
ii) Mutual funds					
HDFC Floating Rate Income Fund (Refer Note 1)		2,048	0.00	2,048	0.00
Total			0.00		0.00
Total current investments			0.03		0.04
Total Non - Current and Current Investments			44.69		121.70
Aggregate amount of quoted investments			0.03		0.04
Market Value of Quoted Investment			0.03		0.04
Aggregate amount of unquoted investments			44.67		121.66

Note:

- The Balance of investent in Mutual Fund and Partnership Firms are unconfirmed
- The Company has pledged the Equity Shares of the following Companies -
 - 3,65,00,000 Ansaldocaldaie Boilers India Private Limited
 - 5,100 Deepmala Infrastructure Private Limited
 - 50,49,940 Gactel Turnkey Projects Limited
 - 10,53,169 Gammon Engineers & Contractors Private Limited
 - 77,954 Transrail Lighting Limited

4 **Financial Assets - Trade Receivables**

(Unsecured, at amortised cost)

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Trade Receivables :				
(Unsecured, considered good unless otherwise stated)				
Considered good	361.65	5.84	205.44	31.24
Considered Doubtful	11.12	216.64	11.12	216.63
Provision for Doubtful debts	(11.12)	(216.64)	(11.12)	(216.63)
	361.65	5.84	205.44	31.24
Less: Expected credit loss	(0.90)	(0.01)	(0.51)	(0.08)
	360.75	5.83	204.93	31.16
Total	360.75	5.83	204.93	31.16

(a) In respect of the projects undertaken by the Company:

- (i) The Company in evaluating its jobs has considered an amount of Rs. 7.56 Crore relating to the likelihood of the claim materializing in favour of the Company, arising out of claims for work done, cost overruns arising due to client delays, changes of scope, escalation claims, variation orders, deviation in design and other charges recoverable from the client which are pending acceptance or certification by the client or referred the matter to the dispute resolution board / arbitration panel.
- (ii) In furtherance to the recommendation of the Dispute Resolution Board (DRB) and Arbitration Awards in the Company's favour, the Company has recognized income to the extent of Rs.291.42 Crore in the previous years, which is part of Long Term Trade Receivable. The Company contends that such awards have reached finality for the determination of the amounts of such claims and are reasonably confident of recovery of such claims although the client has moved the court to set aside the awards. Considering the fact that the Company has received favorable awards from the DRB and the Arbitration Tribunal, the management is reasonably certain that the claims will get favorable verdict from the courts.
- (iii) There are disputes in Five projects of the Company. The total exposure against these projects is Rs. 182.37 Crore consisting of receivable of Rs. 60.70 crores, inventory Rs. 43.96 crore and other receivables Rs. 77.71 crores. The Company is pursuing legal recourse / negotiations for settling the disputes in favour of the Company and is of the opinion that it has a good case in the matter hence does not require any provision considering the claims of the Company against the Clients.
- (iv) The Company has receivable including retention and work in progress aggregating to Rs. 23.33 Crore receivables in various jobs relating to the Real Estate Projects due to the problems faced by the Real Estate Sector. The management is confident of ultimate recovery considering its contractual position and therefore no adjustments are required to be made in respect of such contracts.

(b) Expected Credit Loss

Since the Company Calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

Movement in the expected credit loss allowance

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Balance at the beginning of the period	0.51	0.08	0.71	0.07
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	0.39	(0.07)	(0.20)	0.01
Provision at the end of the period	0.90	0.01	0.51	0.08

(c) Trade Receivable Ageing Schedule**(Ageing from Bill Date)****As at March 31, 2023**

Range of O/s period	Undisputed			Disputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled							-
Not Due							-
less than 6 months	2.11	-	-	146.72	-	-	148.83
6 months - 1 year	0.11	-	-	-	-	-	0.11
1-2 year	0.02	-	-	-	-	-	0.02
2-3 year	0.03	-	-	-	-	-	0.03
> 3 years	2.64	-	194.38	215.87	-	33.37	446.26
Total	4.90	-	194.38	362.59	-	33.37	595.25


GAMMON INDIA LIMITED

As at March 31, 2022

Range of O/s period	Undisputed			Disputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-	-	-	-
Not Due	0.28	-	-	-	-	-	0.28
less than 6 months	7.80	-	-	-	-	-	7.80
6 months - 1 year	0.36	-	-	-	-	-	0.36
1-2 year	0.80	-	-	-	-	-	0.80
2-3 year	0.70	-	-	-	-	-	0.70
> 3 years	4.80	-	194.38	221.94	-	33.37	454.49
Total	14.74	-	194.38	221.94	-	33.37	464.43

5 Financial Assets: Loans (un secured at amortised cost)

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Loans and Advances to Related Parties :				
Considered Good	196.54	-	657.51	-
Considered Doubtful	3,056.28	77.23	2,812.29	77.23
Less : Provision for Doubtful Loans	(3,056.28)	(77.23)	(2,812.29)	(77.23)
Other Loans and Advances				
Unsecured Considered good	-	0.11	-	0.27
Unsecured Considered Doubtful	44.45	7.68	44.45	7.68
Less : Provision for Doubtful	(44.45)	(7.68)	(44.45)	(7.68)
Total	196.54	0.11	657.51	0.27

(i) Details of Loans given to Related Parties

Name of the Related Party	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Considered good:				
Deepmala Infrastructure Private Limited	-	-	188.88	-
RAS Cities and Township Private Limited	1.00	-	1.00	-
Gammon International B.V.	51.52	-	133.28	-
Ansaldocaldaie Boilers India Private Limited	29.57	-	29.57	-
Gammon Holdings (Mauritius) Limited	74.38	-	264.73	-
Patna Water Supply Distribution Network Private Limited	40.05	-	40.05	-
Total	196.52	-	657.51	-

Name of the Related Party	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Considered Doubtful:				
Deepmala Infrastructure Private Limited	-	-	61.77	-
Gammon Realty Limited	84.68	-	84.68	-
Metropolitan Infrahousing Private Limited	262.96	-	262.96	-
Gactel Turnkey Projects Limited	228.33	-	228.33	-
Gammon International FZE	96.87	-	96.87	-
P.Van Eerd Beheersmaatschappij B.V.	85.07	-	85.07	-
Gammon International B.V.	674.89	-	581.86	-
Gammon Holdings (Mauritius) Limited	251.07	-	38.34	-
Campo Puma Oriente S.A.	406.11	-	406.11	-

Name of the Related Party	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Gammon Holdings B.V.	709.62	-	709.62	-
Finest S.p.A	0.52	-	0.52	-
ATSL Holding B.V. (Netherlands)	197.14	-	197.14	-
SAE Power Lines S.r.l	48.96	-	48.96	-
Patna Water Supply Distribution Network Private Limited	10.00	-	10.00	-
Gammon Power Limited	-	73.39	-	73.39
Haryana Biomass Power Limited (Hareda Projects)	0.05	-	0.05	-
Franco Tosi Meccanica S.P.A	-	0.11	-	0.11
Rajahmundry Godavari Bridge Limited	-	0.35	-	0.35
Tidong Hydro Power Limited	-	0.02	-	0.02
Gammon Renewable Energy Infrastructure Limited	-	0.00	-	0.00
Gammon Real estate Developers Private Limited	-	0.01	-	0.01
Preeti Township Private Limited	-	0.01	-	0.01
SAE Transmission India Limited	-	0.11	-	0.11
ATSL Holding B.V. (Netherlands)	-	0.02	-	0.02
Associated Transrail Structure Limited Nigeria	-	3.21	-	3.21
Sikkim Hydro Power Ventures Limited	0.00	-	0.00	-
Total	3,056.28	77.23	2,812.29	77.23

(ii) Detail of Loans & Advances in the nature of loans

Disclosure of amounts outstanding at period end as per Schedule V of Listing Obligations and Disclosure Requirements 2015

Name of the Related Party	Amount Outstanding		Maximum Outstanding	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Ansaldocaldaie Boilers India Private Limited	29.57	29.57	29.57	29.57
Associated Transrail Structure Limited Nigeria	3.21	3.21	3.21	3.21
ATSL Holding B.V. (Netherlands)	197.14	197.14	197.14	197.14
Campo Puma Oriente S.A.	406.11	406.11	406.11	406.11
Deepmala Infrastructure Private Limited	-	250.64	250.64	250.64
Finest S.p.A	0.52	0.52	0.52	0.52
Gactel Turnkey Projects Limited	228.33	228.33	228.33	228.33
Gammon Holdings (Mauritius) Limited	325.45	303.07	325.45	303.07
Gammon Holdings B.V.	709.62	709.62	709.62	709.62
Gammon International B.V.	726.41	715.14	726.41	715.14
Gammon International FZE	96.87	96.87	96.87	96.87
Gammon Power Limited	73.39	73.39	73.39	73.39
Gammon Realty Limited	84.68	84.68	84.68	84.68
Gammon Renewable Energy Infrastructure Limited	0.00	0.00	0.00	0.00
Haryana Biomass Power Limited (Hareda Projects)	0.07	0.07	0.07	0.07
Metropolitan Infrahousing Private Limited	262.96	262.96	262.96	262.96
P.Van Eerd Beheersmaatschappij B.V.	85.07	85.07	85.07	85.07
Patna Water Supply Distribution Network Private Limited	50.05	50.05	50.05	50.05
Preeti Township Private Limited	0.01	0.01	0.01	0.01
Rajahmundry Godavari Bridge Limited	0.35	0.35	0.35	0.35
RAS Cities and Township Private Limited	1.00	1.00	1.00	1.00
SAE Power Lines S.r.l	48.96	48.96	48.96	48.96
SAE Transmission India Limited	0.11	0.11	0.11	0.11
Sikkim Hydro Power Ventures Limited	0.00	0.00	0.00	0.00
Tidong Hydro Power Limited	0.04	0.04	0.04	0.04
Franco Tosi Meccanica S.P.A	0.11	0.11	0.11	0.11
Total	3,330.03	3,547.02	3,580.66	3,547.00


(iii) Investment by loanee in the subsidiary Companies Shares

Name of the Company	Invested in Subsidiary Company	March 31, 2023	March 31, 2022
Gammon Holdings B.V.	Franco Tosi Meccanica S.p.A	457.12	439.22
	Gammon Itlay S.r.L	0.15	0.15
ATSL Holding B.V. (Netherland) Gammon Realty Limited	SAE Powerlines S.r.L	114.97	110.47
	Deepmala Infrastructure Private Limited	0.00	0.00
P.Van Eerd Beheersmaatschappij B.V.	Sadelmi S.p.A	67.25	64.62
Gammon International B.V.	Sofinter S.p.A.	342.19	418.50
Gammon Holdings (Mauritius) Limited	Sofinter S.p.A.	482.19	348.17
Gammon Retail Infrastructure Private Limited	Gammon Power Limited	0.01	0.01

- (iv) The balances of the project advances are subject to confirmation and consequent reconciliation, if any.
- (v) The Company on prudent basis has stopped recognizing further interest on all the loans which are doubtful of recovery and for which provisions for impairment are made either in full or part

(vi) Disclosures u/s 186 (4) of The Companies Act, 2013:

Name of Party	Relation	Purpose	March 31, 2023	March 31, 2022
Deepmala Infrastructure Private Limited	Subsidiary	Advance towards Operations	-	0.01
Deepmala Infrastructure Private Limited	Subsidiary	Bank Guarantee Encashment	-	36.27
Patna Water Supply Distribution Network Private Limited	Subsidiary	Advance towards Operations	-	0.01

- (vii) In Previous Year, In reference to the Bank Guarantee issued by Gammon India Limited (GIL) in favour of Madhya Pradesh Housing Board on behalf of Deepmala Infrastructure Private Limited (DIPL) subsidiary of the Company which was invoked and debited to the bank account of Gammon Engineers and Contractors Private Limited (GECPL), during Debt Restructuring the above guarantee was erroneously transferred to GECPL instead of keeping the same in GIL, further there is no relationship between DIPL and GECPL, pursuant to discussion and in view of the above facts during the year BG encashment of Rs 36.27 Cr has been shown as payable to GECPL and Receivable from DIPL.

(viii) Loans and Advances to Promoters, Directors, KMP's and Related Parties.

Loans or Advances in the nature of loans granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are without specifying any terms or period of repayment:

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Outstanding Loan	% to (A)	Outstanding Loan	% to (A)
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	3,330.05	98.46	3,547.03	98.54
Total Loans and Advances to Promoter, Director, KMP and Related parties	3,330.05		3,547.03	
Total Loans and Advances in the nature of Loan and Advances (A) (Excluding Provision)	3,382.29		3,599.43	

6 Other Financial Assets (at amortised cost)

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Interest Accrued Receivable:				
Considered Good				
Related Parties	20.73	-	103.96	-
Others	1.56	0.48	1.56	0.65
Considered Doubtful				
Related Parties	412.32	-	351.13	-
Others	22.78	-	22.78	-
Less : Provision for Doubtful Interest	(435.10)	-	(373.91)	-
Other Receivable	-	1.33	-	1.33
Excess Managerial Remuneration Receivable	-	24.53	-	24.53
Deposits				
Considered Good	1.62	5.74	1.50	3.34
Unsecured Considered Doubtful	3.00	3.60	3.00	3.60
Less : Provision for Doubtful	(3.00)	(3.60)	(3.00)	(3.60)
Total	23.91	32.07	107.02	29.85

Excess Managerial Remuneration Receivable :

Pursuant to the rejection of the waiver of recovery of managerial remuneration by the Members in General Meeting, the Company has reversed the managerial remuneration of the erstwhile Chairman and Managing Director and another erstwhile Executive Director aggregating to ₹ 31.13 crore and has shown the net recoverable amount (after reversal of unpaid salary) of ₹ 24.53 crores as excess managerial remuneration receivable .

Interest accrued Receivable includes dues from related parties

Name of the Related Party	March 31, 2023	March 31, 2022
Considered good:		
Ansaldoaldiae Boilers India Private Limited	5.54	5.54
Gammon Holdings (Mauritius) Limited	-	83.22
Patna Water Supply Distribution Network Private Limited	15.19	15.19
Total	20.73	103.96

Name of the Related Party	March 31, 2023	March 31, 2022
Considered doubtful:		
Finest S.p.A	1.25	1.25
Gammon Realty Limited	31.12	31.12
Deepmala Infrastructure Private Limited	-	38.23
ATSL Holding B.V. (Netherland)	12.06	12.06
Campo Puma Oriente S.A.	19.42	19.42
Gactel Turnkey Projects Limited	1.40	1.40
Gammon Holdings B.V.	94.58	94.58
Gammon International B.V.	66.35	66.35
Gammon International FZE	20.83	20.83
Gammon Power Limited	3.01	3.01
Gammon Holdings (Mauritius) Limited	99.42	
Metropolitan Infrahousing Private Limited	62.87	62.87
Total	412.32	351.13

**7 Other Assets**

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Prepaid Expenses	-	0.17	-	0.22
Contract Assets	714.33	44.53	797.33	66.34
Less : Provision for credit loss	(2.94)	(0.00)	(2.94)	(0.00)
Advance to Creditors/Subcontractors				
Unsecured Considered goods	9.70	15.80	9.69	21.35
Unsecured Considered doubtful	-	3.05	-	3.05
Less: provision for doubtful	-	(3.05)	-	(3.05)
Staff Advances	-	0.22	-	0.33
Balance with Tax Authority	-	4.93	-	5.12
Other assets	-	0.00	-	2.14
Advance Tax Net of Provision	396.17	-	395.26	-
Total	1,117.26	65.65	1,199.34	95.50

a) Unbilled Revenue

The Company had evaluated its claims in respect of on-going, completed and/or terminated contracts in the earlier periods which amounts to Rs. 151.39 crore as at March 31, 2023 with the help of an independent expert in the field of claims and arbitration who had assessed the likely amount of claims being settled in favour of the Company. The management contends that there is no change in position during the year and the same are due to them and they have a very good chance of realisation.

- b) The Company has received an award in respect of its joint venture relating the Chennai Metro Rail project (CMRL). Company has recently filed appeal against certain items of the award. In spite of the appeal filed, company estimates total recoverability of Rs 532.00 Cr out of the award. Amount of Rs 225.79 Cr which is in excess of the estimated recoverable award is written off in the previous year. This includes an amount of Rs 123.08 Cr which is subject matter of appeal being the claim of the Company, which is not accepted, for which the Company is of the opinion that it has a strong case.

The aforesaid award is received in the name of the JV but the company has accounted for the entire share to its accounts.

8 Inventories

Particulars	March 31, 2023	March 31, 2022
Material at Construction Site	10.97	10.76
Work In Progress - Real Estate	-	21.95
Total	10.97	32.71

Particulars	March 31, 2023	March 31, 2022
Amount of inventories recognised as an expense	16.83	12.49
Amount of write - down of inventories recognised as an expense	21.95	-

- b) Inventory amounting to Rs 3.63 Crore (PY Rs.3.63 Crores) are lying at terminated sites are under dispute, access to this terminated sites is restricted to the company.

9 Cash and Bank Balance

Particulars	March 31, 2023	March 31, 2022
Cash and cash equivalents		
Cash on Hand	0.00	0.01
Total	0.00	0.01
Other Bank Balances		
Balances with Bank*	0.98	9.68
Unpaid dividend**	0.58	0.58
Total	1.56	10.26

* The above balance is restricted and not freely available to the company without approval of the lenders.

- * Out of above balance of Rs. 0.22 Crores is unconfirmed for Holding company
- ** Bank Statement or confirmation for unpaid dividend bank account are not available.
- ** Rs. 0.58 Crores (PY Rs. 0.58 Crores) lying in unpaid dividend bank account are pending to be transferred to Investors Education and Protection Fund. The amount of unpaid dividend is pertaining to 725,800 equity shares which are held in abeyance. The Company as a matter of abundant precaution also declared dividend on these shares whose allotment was held in abeyance. The accumulated dividend on these shares is being kept in a separate bank account. The said dividend is unclaimed and unpaid as it pertains to shares whose allotment itself is held in "abeyance".

10 Equity Share Capital

(a) Authorised, Issued, Subscribed and Fully Paid up :

Particulars	March 31, 2023		March 31, 2022	
	No of Shares in Lacs	Amount	No of Shares in Lacs	Amount
Authorised Capital :				
Equity Shares of ₹2/- each	7,47,100.00	14,942.00	7,47,100.00	14,942.00
6% Optionally Convertible Preference Shares of ₹350/- each	30.00	105.00	30.00	105.00
Issued, Subscribed and Fully Paid up Capital :				
Issued Capital				
Equity Shares of ₹2/- each, fully paid	3,704.28	74.09	3,704.28	74.09
Subscribed and Fully Paid up Capital				
Equity Shares of ₹2/- each, fully paid	3,688.47	73.77	3,688.47	73.77
Share Forfeiture Account				
Money received in respect of Right Shares of ₹10/- each forfeited	1.71	0.34	1.71	0.34
Total		74.11		74.11

- i) Issued share capital includes 7,25,800 shares kept in abeyance
- ii) Share Forfeiture Account includes ₹0.26 Crore of Share Premium collected on application in respect of forfeited shares.

(b) Reconciliation of Number of Shares Outstanding

Particulars	March 31, 2023		March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	36,88,47,305	73.77	36,88,47,305	73.77
Add: Issued during the year	-	-	-	-
As at the end of the year	36,88,47,305	73.77	36,88,47,305	73.77

(c) Details of Shareholding in Excess of 5%

Name of Shareholder	March 31, 2023		March 31, 2022	
	No of Shares	%	No of Shares	%
Canara Bank	7,55,11,277	20.43	7,55,12,777	20.43
Punjab National Bank	4,29,60,599	11.62	4,29,60,599	11.62
ICICI Bank Ltd	3,92,72,129	10.63	3,92,72,129	10.63
Bank Of Baroda	2,21,04,507	5.98	2,21,04,507	5.98
Indian Bank	1,99,74,706	5.40	1,99,74,706	5.40

(d) Terms / rights attached to equity shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- each. Each holder of Equity Share is entitled to one vote per share. The distribution will be in proportion to the number of Equity Shares held by the shareholder.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.


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(e) Details of Shareholdings by the Promoter/Promoter group

Name of the Promoter	March 31, 2023		March 31, 2022		
	No of Shares	% of total shares	No of Shares	% of total shares	% change during the year
Abhijit Rajan	81,72,459	2.22%	81,72,459	2.22%	-
Jagdish Rajan	17,020	0.00%	17,020	0.00%	-
Pacific Energy Pvt Ltd	1,79,13,015	4.86%	1,79,13,015	4.86%	-
Devyani Estate And Properties Pvt Ltd	71,82,805	1.95%	71,82,805	1.95%	-
Nikhita Estate Developers Pvt Ltd	34,85,420	0.94%	34,85,420	0.94%	-
Ellora Organic Industries Pvt Ltd	28,00,000	0.76%	28,00,000	0.76%	-
Masayor Enterprises Limited	30,86,435	0.84%	30,86,435	0.84%	-
Total	4,26,57,154	11.56%	4,26,57,154	11.56%	-
Total No of Shares issued and Subscribed		36,88,47,305		36,88,47,305	

Name of the Promoter	March 31, 2022		March 31, 2021		
	No of Shares	% of total shares	No of Shares	% of total shares	% change during the year
Abhijit Rajan	81,72,459	2.22%	81,72,459	2.22%	-
Jagdish Rajan	17,020	0.00%	17,020	0.00%	-
Pacific Energy Pvt Ltd	1,79,13,015	4.86%	1,79,13,015	4.86%	-
Devyani Estate And Properties Pvt Ltd	71,82,805	1.95%	71,82,805	1.95%	-
Nikhita Estate Developers Pvt Ltd	34,85,420	0.94%	34,85,420	0.94%	-
Ellora Organic Industries Pvt Ltd	28,00,000	0.76%	28,00,000	0.76%	-
Masayor Enterprises Limited	30,86,435	0.84%	30,86,435	0.84%	-
Total	4,26,57,154	11.56%	4,26,57,154	11.56%	-
Total No of Shares issued and Subscribed		36,88,47,305		36,88,47,305	

11 Other Equity

Particulars	March 31, 2023	March 31, 2022
Capital Redemption Reserve	105.00	105.00
Capital Reserve	11.52	11.52
Securities Premium Account	1,262.20	1,262.20
Debenture Redemption Reserves	81.00	81.00
General Reserve	363.06	363.06
Perpetual Promoter Contribution	100.00	100.00
Retained earnings	(9,530.76)	(7,990.66)
Treasury shares	(1.69)	(1.69)
Other Comprehensive Income:		
Net gain/ (loss) on fair value of equity instruments	2.35	2.35
TOTAL	(7,607.31)	(6,067.21)

12 Non Current Financial Liabilities - Borrowings
Note:

Classification of all credit facilities under Current Financial Liabilities - Refer note no. 20

The facilities from the lenders have become Non Performing Assets in the month June'17. The Lenders have recalled all the loans and therefore all the long term loan facilities of ₹ 2,643.01 crores (P.Y ₹ 2,645.45 crores) are classified as current and disclosed under Current Liabilities together with the disclosure.

On account of the above, a number of lenders have not shared their confirmations as at the year ended March 31, 2023 and to that extent the balances are unconfirmed.

13 Non-Current Financial Liabilities - Trade Payable

Particulars	March 31, 2023	March 31, 2022
Retention / Deposits	11.70	11.96
Total	11.70	11.96

14 Other financial liabilities

Particulars	March 31, 2023	March 31, 2022
Margin Money Received	12.00	12.00
Total	12.00	12.00

15 Provisions

Particulars	March 31, 2023		March 31, 2022	
	Non-Current Provisions	Current Provisions	Non-Current Provisions	Current Provisions
Employee Benefits:				
Provision for Gratuity	0.40	0.21	0.29	0.19
Provision for Leave Encashment	0.35	0.47	0.31	0.46
Provision for tax (net of Advances)		2.26		2.26
Provision for Risk and Contingencies	-	485.52	-	449.16
Total	0.75	488.46	0.60	452.07

(a) Disclosure under IND AS 37 “ Provisions, Contingent Liabilities and Contingent Assets”**Provision for Risk and Contingencies**

As at	Opening Balance	Addition during the period	Paid/ Reversed during the period	Closing Balance
March 31, 2022	437.65	11.51	-	449.16
March 31, 2023	449.16	36.36	-	485.52

(b) Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits- Gratuity

Table Showing Change in the Present Value of Projected Benefit Obligation	March 31, 2023	March 31, 2022
Present Value of Benefit Obligation at the Beginning of the Period	0.79	0.85
Interest Cost	0.05	0.06
Current Service Cost	0.06	0.06
Liability Transferred In/ Acquisitions	0.02	-
Benefit Paid From the Fund	-	(0.15)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(0.02)	(0.01)
Actuarial (Gains)/Losses on Obligations - Due to Experience	0.04	(0.01)
Present Value of Benefit Obligation at the End of the Period	0.94	0.79
Fair Value of Plan Assets at the Beginning of the Period	0.31	0.41
Interest Income	0.02	0.03
Contribution by Employer	-	0.03
Assets transferred out - on scheme and BTA	-	-
Benefit Paid from the Fund	-	(0.15)
Return on Plan Assets, Excluding Interest Income	0.00	(0.00)
Fair Value of Plan Assets at the End of the Period	0.33	0.31
Present Value of Benefit Obligation at the end of the Period	(0.94)	(0.79)
Fair Value of Plan Assets at the end of the Period	0.33	0.31
Funded Status (Surplus/ (Deficit))	(0.61)	(0.48)
Net (Liability)/Asset Recognized in the Balance Sheet	(0.61)	(0.48)



Table Showing Change in the Present Value of Projected Benefit Obligation	March 31, 2023	March 31, 2022
Expenses Recognized in the Statement of Profit or Loss for Current Period		
Current Service Cost	0.06	0.06
Net Interest Cost	0.03	0.01
Past Service Cost	-	-
Expenses Recognized	0.09	0.07
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	0.02	(0.00)
Return on Plan Assets, Excluding Interest Income	(0.00)	0.00
Net (Income)/Expense For the Period Recognized in OCI	0.02	(0.00)
Balance Sheet Reconciliation		
Opening Net Liability	0.48	0.45
Expenses Recognized in Statement of Profit or Loss	0.09	0.09
Expenses Recognized in OCI	0.02	(0.02)
Net Liability/(Asset) Transfer In	0.02	
Benefit Paid Directly by the Employer	-	-
Employer Contribution	-	(0.03)
Net Liability/(Asset) Recognized in the Balance Sheet	0.61	0.48
Category of Assets		
Insurance fund	0.33	0.31
Total	0.31	0.31
Assumptions	2022-23	2021-22
Expected Return on Plan Assets	7.39%	6.84%
Rate of Discounting	7.39%	6.84%
Rate of Salary Increase	4%	4%
Rate of Employee Turnover	30% for LMR, 10% and 2% for HO	30% for LMR, 10% and 2% for HO
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality Rate After Employment	N.A.	N.A.
Sensitivity Analysis	2022-23	2021-22
Projected Benefit Obligation on Current Assumptions	0.94	0.79
Delta Effect of +1% Change in Rate of Discounting	(0.04)	(0.03)
Delta Effect of -1% Change in Rate of Discounting	0.04	0.03
Delta Effect of +1% Change in Rate of Salary Increase	0.04	0.03
Delta Effect of -1% Change in Rate of Salary Increase	(0.04)	(0.03)
Delta Effect of +1% Change in Rate of Employee Turnover	0.01	0.01
Delta Effect of -1% Change in Rate of Employee Turnover	(0.01)	(0.01)

Note :

- 1 Gratuity is payable as per company's scheme as detailed in the report.
- 2 Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

- 3 The Company's Gratuity Fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities. The Company's Gratuity Liability is entirely funded except LMR employees.
- 4 Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- 5 Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.
- 6 In the absence of data of experience adjustments, the same is not disclosed.
- 7 The Company's Leave Encashment Liability is entirely unfunded.

8 Risk Factors / Assumptions

- a) Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- b) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- c) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- d) Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- e) Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- f) Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

16 Deferred Tax (Liabilities) / Assets (Net)

Particulars	March 31, 2023	March 31 ,2022
Deferred Tax Liability:		
Property, Plant and Equipment	(87.07)	(84.51)
Non Current Investments	(5.72)	(19.83)
	(92.79)	(104.34)
Deferred Tax (Liabilities) / Assets (Net)	(92.79)	(104.34)

Deferred Tax Assets:

Since it is not probable that taxable profit will be available against which the unused tax losses or unused tax credits can be utilised, the deferred tax asset is not recognised in current year.\

17 Other Non-Current Liabilities

Particulars	March 31, 2023	March 31 ,2022
Contact Liabilities- Client Advances	23.38	24.62
Advance received against Real Estate Joint development	43.00	43.00
Unamortised Deferred Rent Income	0.15	0.02
Rent Deposit	0.80	1.02
Total	67.32	68.66



18 Short term Borrowings

Particulars	March 31, 2023	March 31 ,2022
Loans Repayable on Demand :		
Cash Credit from Consortium Bankers	-	-
TOTAL	-	-
The above amount includes		
Secured Borrowings	-	-
Unsecured Borrowings	-	-

Note: The entire credit facilities of Rs. 1216.86 crores (P.Y ₹ 1168.13 crores) is recalled by the lenders and hence disclosed under current financial liabilities - Refer note no. 20

19 Current Financial Liabilities - Trade Payables

Particulars	March 31, 2023	March 31 ,2022
Trade Payables		
- Total outstanding dues to Micro and Small Enterprises	0.29	0.34
- Total outstanding dues to other than Micro and Small Enterprises	92.51	97.15
Total	92.80	97.49

- (i) As per the information / intimation / documentation available with the Company, Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, have been identified by the Company to whom the Company owes dues on account of principal amount together with interest and accordingly additional disclosures under section 22 of The Micro small and Medium Enterprises development Act 2006 have been made.
- (ii) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.
- (iii) The balances of the trade payables are subject to confirmation and consequent reconciliation, if any.

(iv) Disclosure In accordance with Section 22 of The Micro Small and Medium Enterprises Development Act 2006.

Particulars	March 31, 2023	March 31 ,2022
Principal amount due	0.29	0.34
Interest due on the above	1.68	1.49
The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each accounting year	1.97	1.83
The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
Principal amount paid beyond appointed day	-	-
Interest paid thereon	-	-
The amount of interest due and payable for the period of delay in making payment but without adding the interest under MSME Act where payment has been made beyond appointed day during the year.	1.68	1.49
The amount of interest accrued and remaining un-paid at the end of the accounting year	1.68	1.49

(v) Trade Payable Ageing Schedule

(Ageing from bill date)

As at March 31, 2023

Range of O/s period	MSME		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	-	-	2.16	-	2.16
Not Due	-	-	-	-	-
Less than 1 year	0.07	-	8.40	-	8.48
1-2 years	0.04	-	6.46	-	6.50
2-3 year	-	-	4.07	-	4.07
> 3 years	0.18	-	83.12	-	83.29
Total	0.29	-	104.21	-	104.50

As at March 31, 2022

Range of O/s period	MSME		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	-	-	2.94	-	2.94
Not Due	-	-	-	-	-
Less than 1 year	0.10	-	16.61	-	16.71
1-2 years	-	-	3.18	-	3.18
2-3 year	-	-	1.67	-	1.67
> 3 years	0.24	-	84.71	-	84.95
Total	0.34	-	109.11	-	109.45

20 Other Current Financial Liabilities

Particulars	March 31, 2023		March 31, 2022	
Credit facilities recalled by lenders - Secured (Refer Security details given below)		3,859.87		3,813.58
Credit facilities recalled by lenders - Secured (For SPV) *		1,219.44		1,141.54
Interest Accrued (Refer Note (C) below)				
Bank and Financial Institution		1,789.52		1,497.53
Others		2.51		2.29
NPA Interest Accrued (Refer Note (E) below)		1,989.39		1,518.40
Unpaid Dividend (Refer Note (D) below)		0.58		0.58
Employee Payable		12.19		11.97
Other Payables				
- Related Party	13.47		12.68	
- Others	112.13		115.90	
		125.60		128.58
Total		8,999.09		8,114.47

* The facilities from the lenders to SPV Companies were backed by the Company's Corporate Guarantees. Since the SPV companies could not make payment of the overdue amounts, the lenders have demanded the immediate payment of all overdue amount of loan and interest from the Company in the earlier years. The same is classified as current and disclosed as Current Liabilities and correspondingly recoverable from the SPV companies.

On account of the above, a number of lenders have not shared their confirmations as at the year ended March 31, 2023 (also in the previous years) and to that extent the balances are unconfirmed.

(A) (a) Corporate Restructuring and Other - Borrowings Notes

The Company's Corporate Debt Restructuring (CDR) package was approved by the CDR Empowered Group (EG) in its meeting held on 24th June, 2013 and communicated to the Company vide its letter of approval dated 29th June, 2013. The Company executed the Master Restructuring Agreement (MRA) with the CDR lenders on 24th September, 2013. Substantial securities have been created in favour of the CDR lenders.

Key features of the CDR agreement are as follows :

- Reschedulement of Short Term Loans & Rupee Term Loans (RTL) and NCD payable over a period of ten years.
- Repayment of Rupee Term Loans (RTL) after moratorium of 27 months from cut off date being 1st January, 2013 in structured quarterly installments commencing from April 2015.
- Conversion of various irregular / outstanding / devolved financial facilities into Working Capital Term Loan (WCTL).
- Repayment of WCTL after moratorium of 27 Months from cut off date in structured quarterly installments commencing from April 2015, subject to mandatory prepayment obligation on realization of proceeds from certain asset sale and capital infusion.
- Restructuring of existing and fresh fund based and non fund based financial facilities, subject to renewal and reassessment every year.



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- Interest accrued but not paid on certain financial facilities till March 2014 is converted into Funded Interest Term Loan (FITL).
- Waiver of existing events of defaults, penal interest and charges etc. in accordance with MRA.
- Right of Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines and MRA.
- Contribution of Rs.100 Crore in the Company by promoters, in lieu of bank sacrifice, in the form of Promoters Contribution which can be converted to equity.

(b) Securities for Term Loans and NCD :

Rupee Term Loan (RTL) - 1 and FITL thereon -

- 1) 1st pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2) 2nd pari-passu charge on the Gammon House, entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Rupee Term Loan (RTL) - 2 and FITL thereon -

- 1) 1st pari-passu charge on Gammon House.
- 2) 2nd pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 3) 2nd pari-passu charge on entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Rupee Term Loan (RTL) - 3 and FITL thereon -

- 1) 3rd pari-passu charge over the entire Fixed Assets (movable and immovable) and Current Assets of the Company excluding the Gammon House.
- 2) 3rd pari-passu charge on the Gammon House.

Working Capital Term Loan (WCTL) -

- 1) 1st pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2) 2nd pari-passu charge on the Gammon House, entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Priority Loan -

- 1) 1st pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2) 2nd pari-passu charge on the Gammon House, entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Non Convertible Debentures (NCD) and FITL thereon -

- 1) 1st pari-passu charge by mortgage of Gujarat Property and hypothecation over the pari-passu security with the Non Convertible Debentures.
- 2) 3rd pari-passu charge over the entire Fixed Assets (movable and immovable) and Current Assets of the Company excluding the Gammon House.
- 3) 3rd pari-passu charge on the Gammon House.
- 4) In case of 9.95% NCD of Rs.50 Crore, being not part of CDR scheme, interest is not converted in to FITL. This redeemable NCD is secured by hypothecation of specific Plant and Machinery with pari-passu charge by mortgage of immovable property in Gujarat.

Funded Interest Term Loan (FITL) -

The interest amount on RTL - 1, RTL - 2, RTL - 3 and NCDs for the initial period of 15 months i.e. from cut off date till 31 March 2014 are converted to FITL.

(c) Interest on Term Loans -

Facility	Interest Rate	Remarks
OD	MCLR 6M + 5.55%	Spread including penal interest
WCTL	I Base + 10.25%	Spread including penal interest
PL	MCLR 1Y + 5%	Spread including penal interest
CC	MCLR 6M + 5.45%	Spread including penal interest

Non Convertible Debentures

Facility	Principal as on 31 March 2023	Rate	Principal as on 31 March 2022
10.50%	65.24	10.50%	65.41
11.05%	89.08	11.05%	89.08
9.50%	89.12	9.50%	89.34
9.95%	44.53	9.95%	44.53
Grand Total	287.97		288.36

(d) Repayment Term

Type of Loan	Repayment Schedule
RTL - 1, RTL - 2, RTL - 3, NCD, WCTL & FITL	Repayable in 31 quarterly instalments commencing 15 April 2015 and ending on 15 October 2022.
Priority Loan	Repayable in 20 quarterly ballooning instalments commencing 15 April 2015 and ending on 15 January 2020.

(e) Collateral security pari-passu with all CDR lenders

- Pledge of entire unencumbered Equity Shares (present and future) of GIL held by Promoters subject to section 19(2) & 19(3) of Banking Regulation Act including pledge of encumbered Equity Shares as and when such shares are released by the respective existing lenders.
- Personal guarantee of Mr Abhijit Rajan, former Chairman & Managing Director.
- Undertaking to create pledge over the resultant shares of Metropolitan Infrahousing Private Limited (MIPL) after signing the Joint Venture agreement with developer.
- Corporate Guarantee provided by Nikhita Estate Developers Private Limited ("promoter entity")
- Pledge over the following shares -
 - Deepmala Infrastructure Private Limited
 - Ansaldocaldaie Boilers India Private Limited
 - Gactel Turnkey Projects Limited
 - Transrail Lighting Limited
 - Gammon Engineers and Contractors Private Limited.
 - Nikhita Estate Developers Private Limited

(f) Maturity profile of Term Loans and NCD

Period	March 31, 2023	March 31, 2022
Credit facilities recalled by lenders	2,643.01	2,645.45
Principal Overdue	-	-
With in 1 years	-	-
2 - 3 years	-	-
4 - 5 years	-	-
6 - 10 years	-	-
TOTAL	2,643.01	2,645.45



GAMMON INDIA LIMITED

(g) The Bankers have given effect to the Novation Agreement in the second fortnight of May 2017.

The continuing default on principal obligation of Term Loans is tabulated below:

As at March 31, 2023	1 to 90 days	91 to 180 days	181 to 365 days	Above 365 days	Total
The Entire credit facilities is in default and recalled, hence age-wise default is not disclosed.					
Rupee Term Loan (RTL)					1,301.66
Priority Loan (PL)					573.11
Funded Interest Term Loan (FITL)					44.74
Working Capital Term Loan (WCTL)					435.53
Non Convertible Debentures(NCD)					287.97
Total	-	-	-	-	2,643.01

(h) The continuing default on principal obligation of Term Loans is tabulated below:

As at March 31, 2022	1 to 90 days	91 to 180 days	181 to 365 days	Above 365 days	Total
The Entire credit facilities is in default and recalled, hence age-wise default is not disclosed.					
Rupee Term Loan (RTL)					1,302.17
Priority Loan (PL)					574.16
Funded Interest Term Loan (FITL)					45.13
Working Capital Term Loan (WCTL)					435.62
Non Convertible Debentures(NCD)					288.37
Total	-	-	-	-	2,645.45

(B) Current Financial Liabilities - Borrowings Notes

(i) **Securities - Cash Credit from Consortium Bankers :**

- 1st pari-passu charge on the entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.
- 2nd pari-passu charge over the entire Fixed Assets (immovable and movable) of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2nd pari-passu charge on Gammon House.

(ii) The rate of interest on above loan is linked to MI base rate + 175 bps to 225 bps.

Some of the loans are at spread below Bank base rate or Bank Prime lending rate or at Negotiable rates. The Spread range from 100 to 250 bps.

(iii) Buyers Credit are secured by guarantee of consortium bankers.

(iv) Short term loan from consortium Bankers :

a) BOB -Security - Short Term Loan V - INR

1st Charge on investments, Loans & Advances, LT Receivables (claims) of Gammon India Limited Residual

2nd charge on Gammon House

2nd charge of Canara Bank on Dombivali Metropolitan Infra Housing Private Limited Land (only on RTL-1 portion)

Pledge on shares of Metropolitan Infra Housing Private Limited (Dombivali)

Pledge on shares of Deepmala Infra Private Limited (76%)

Pledge on shares of Ansaldocaldaie Boilers India Private Limited (73%)

Pledge on sahes and corporate gurantee of Nikhita Estate Developers Private Limited (100%)

Pledge on Promoters holding in Gammon India Limited

Personal Guarantee of Mr.Abhijit Rajan

Pledge on Gammon India Limited's holding in EPC

Pledge on Gammon India Limited's holding T&D

Other contractual comforts and undertakings taken at the time of CDR

b) BOB -Security - STL VI - INR

2nd Charge on Investments, Loans & Advances, Long Term Receivables (claims) of Gammon India Limited Residual

Second charge on shares of Metropolitan Infra Housing Private Limited (Dombivali)

pledge on shares of Deepmala Infra Private Limited (76%)

pledge on shares of Ansaldocaldaie Boilers India Pvt Ltd (73%)

Pledge on shares and corporate guarantee of Nikhita Estate Developers Pvt Ltd (100%)

pledge on Promoter's holding in Gammon India Limited

Personal Guarantee of Mr.Abhijit Rajan

Other contractual comforts and undertakings taken at the time of CDR

c) IDBI - STL

Primary Security

pari-passu charge on the entire current assets, loans & advances investments, long term trade receivables and other assets of Gammon India Limited by way of deed of hypothecation

2nd pari passu charge on the entire fixed assets (immovable and movable) of Gammon india Limited excluding the fixed asste charged exclusively to Non Convertible Debenture holders

2nd pari passu charge on Gammon House

STL-I & II are allowed by way of interchangeability from the existing NFB limits for which the security has already been created

Collateral Security

Pledge of 16,27,94,100 unencumbered shares of Gammon Infrastructure Project Limited (GIPL) with duly executed Power of Attorney for sale of shares.

d) ICICI -STL

The performance BG facility and therefore the proposed OD facility is already secured by way of various securities as part of the CDR Package.

The OD facility shall be additionally collateralised by way of :

Exclusive pledge of 193,999,800 equity shares of Gammon Infrastructure Projects Limited (GIPL) held by Gammon Power Limited representing 20.60 % of the total paid up equity shares of GIPL. The same shall be Subject section 19 (2) & (3) of the Banking Regulation Act.

NDU- PoA over the remaining 193,999,800 equity shares of Gammon Infrastructure Projects Limited (GIPL) held by Gammon Power Limited representing 20.60 % of the total paid up equity shares of GIPL which shall bereleased in favour of IDBI Bank / Other Bank who shall be sanctioning the remaining OD facility

(v) Facility overdrawn as at March 31, 2023:

Facility	₹ in Crore
The Entire credit facilities is recalled and hence age-wise default is not disclosed.	1,216.86
Total	1,216.86

Facility overdrawn as at March 31, 2022:

Facility	₹ in Crore
The Entire credit facilities is recalled and hence age-wise default is not disclosed.	1,168.13
Total	1,168.13



(C) The continuing default on Interest obligation is tabulated below:

As at March 31, 2023	1 to 90 days	91 to 180 days	181 to 365 days	Above 365 days	Total
RTL	27.12	26.85	50.74	535.04	639.76
PL	20.45	20.27	38.75	405.26	484.73
FITL	1.93	1.91	3.66	44.95	52.46
WCTL	18.16	17.87	33.49	316.25	385.77
NCD	7.31	7.47	14.88	183.50	213.15
STL	-	-	-	58.02	58.02
WCDL	0.05	0.04	0.08	0.34	0.51
Cash credit	13.59	13.06	24.00	298.27	348.92
Total	88.59	87.48	165.62	1,841.63	2,183.32

The continuing default on Interest obligation relating to short term facilities including CC is part of the recalled debt

The Interest of STL, WCDL and Cash credit to the extent of Rs 393.80 crores (PY: Rs 344.15 crores) are shown under respective short term loan facility.

As at March 31, 2022	1 to 90 days	91 to 180 days	181 to 365 days	Above 365 days	Total
RTL	23.57	23.43	44.10	443.93	535.04
PL	18.38	17.98	35.12	333.78	405.26
FITL	1.72	1.70	3.23	38.31	44.95
WCTL	15.75	15.24	29.48	255.78	316.25
NCD	7.32	7.48	14.87	153.83	183.50
STL	-	-	-	58.02	58.02
WCDL	0.04	0.04	0.07	0.18	0.34
Cash credit	11.11	10.61	18.80	257.75	298.27
Total	77.89	76.49	145.67	1,541.58	1,841.64

The Interest of STL, WCDL and Cash credit to the extent of Rs 344.10 crores are shown under respective short term loan facility.

(D) ** Rs. 0.58 Crores (PY Rs. 0.58 Crores) lying in unpaid dividend bank account are pending to be transferred to Investors Education and Protection Fund. The amount of unpaid dividend is pertaining to 725,800 equity shares which are held in abeyance. The Company as a matter of abundant precaution also declared dividend on these shares whose allotment was held in abeyance. The accumulated dividend on these shares is being kept in a separate bank account. The said dividend is unclaimed and unpaid as it pertains to shares whose allotment itself is held in "abeyance".

(E) Interest accrued includes ₹ 1989.39 Crore (P.Y March 2022: ₹ 1518.40 Crore) on account of NPA Interest accrued in the books

(F) Other Payable:

An Amount of Rs. 111.22 Crore (P.Y.Rs 108.56 Crore) is payable to GECPL as at March 31, 2023. This amount has been earmarked against the assignment of specific claims and awards in favour of GECPL, for which the Company has written to the clients. No interest is accrued on the aforesaid amount.

(G) Disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

Particulars	31-Mar-23	31-Mar-22
Opening balance Loans and Interest	6,829.51	6,108.09
Interest accrued during the year	812.84	721.42
Changes from financing cash flows -		
(Repayment) from Long term Borrowings	(3.57)	-
Interest Paid	-	-
Closing balance	7,638.78	6,829.51

- (H) The company has not taken any fresh loan from banks and financial institutions during the year.
- (I) The Company has borrowings from banks or financial institutions on the basis of security of current assets, however during the current year and in the previous year no quarterly returns or statements of current assets are filed by the company with banks or financial institutions as the entire facilities from the lenders have become Non Performing Assets in the month June'17 and the Lenders have recalled all the loans and during the year no new working capital limit was sanctioned.
- (j) Registration of Charge - As at March 31, 2023, the Company has registered all charges duly with the Registrar of Companies in favour of the lenders.

Satisfaction of Charge - There are old charges disclosed as outstanding of Rs. 29,149 crores as at March 31, 2023 in respect of borrowings which have been restructured by the lenders long back for which fresh charge is created. The Company is unable to clear the satisfaction of old charges for lack of requisite documentation from the lenders. The matter is being followed up by the Company.

21 Other Current Liabilities

Particulars	March 31, 2023	March 31, 2022
Contract Liabilities - Client Advances	27.35	27.35
Duties & Taxes Payable	5.11	6.25
Others	0.24	0.26
Unamortised Deferred Rent Income	0.10	0.02
Total	32.81	33.88

22 Revenue from Operations

Particulars	April 2022 - March 2023	April 2021 - March 2022
Turnover	101.17	27.53
Other Operating Revenue: Sale of Scrap	0.31	0.13
Total	101.48	27.66

Disclosure as required by Indian Accounting Standard (Ind AS) 115 - Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers :

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

Particulars	March 31, 2023	April 2021 - March 2022
Primary geographical markets		
In India	101.17	27.53
Outside India	-	-
Total	101.17	27.53

(b) Contract balances

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activity based on normal operating capacity.



Significant changes in contract asset and contract liabilities balances during the year are as follows:

Particulars		March 31, 2023	March 31, 2022
(i)	Due from contract customers:		
	At the beginning of the reporting period	31.65	52.10
	Cost incurred plus attributable profits on contracts-in-progress	-	-
	Progress Billings made towards contracts-in-progress	-	(1.05)
	Due from contract customers impaired during the reporting period	-	-
	Receipts from contract customers.	-	(3.69)
	Significant change due to other reasons	-	(15.71)
	At the end of the reporting period	31.65	31.65
(ii)	Due to contract customers:		
	At the beginning of the reporting period	51.97	81.52
	Revenue recognised that was classified as due to contract customers at the beginning of the reporting period (Para 116 (b))	-	-
	Progress billings made towards contracts-in-progress	-	-
	Significant change due to other reasons	(1.25)	(29.55)
	At the end of the reporting period	50.73	51.97

(c) Performance obligation

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for construction of highways, water pipeline projects, construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations & maintenance etc.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) Performance obligations to be performed in next year is amounting to ₹ 40.31 crores (previous year amounting to 73.43 Crores)

23 Other Income

Particulars	April 2022 - March 2023	April 2021 - March 2022
Interest Income on EIR on Financial Assets at amortised cost	10.28	11.45
Lease Income	3.14	5.04
Excess provision written back	-	0.50
Profit on Sale of Assets	5.58	-
Interest Received on award	-	1.17
Sundry Balances Written Back	2.38	6.68
Share of Profit on Joint Venture	-	0.43
Other Income - Miscellaneous	0.59	-
Total	21.96	25.27

24 Cost of Materials Consumed

Particulars	April 2022 - March 2023	April 2021 - March 2022
Raw Materials		
Opening Stock	10.76	11.18
Add : Purchases (Net of Discount)	16.62	11.69
Less : Closing Stock	10.97	10.76
Total	16.41	12.11

25 Changes in Inventory

Particulars	April 2022 - March 2023	April 2021 - March 2022
Real Estate		
Opening Stock	21.95	21.95
Add : Purchases (Net of Discount)	-	-
Less : Closing Stock	-	(21.95)
Total	21.95	-

26 Employee Benefits

Particulars	April 2022 - March 2023	April 2021 - March 2022
Salaries, Bonus, Perquisites etc.	8.20	7.54
Contribution to Provident and other fund	0.43	0.40
Staff Welfare Expenses	0.24	0.15
Total	8.87	8.09

27 Finance Cost

Particulars	April 2022 - March 2023	April 2021 - March 2022
Interest Expense	812.84	721.42
Unwinding Interest on financial Liabilities	0.09	0.11
Interest on Late payment of Taxes	0.36	0.37
Total	813.29	721.90

During the Year ended March 31, 2023 two lenders have levied penal interest and charges of Rs 91.11 Crores. Total amount of penal interest and charges amounts to Rs. 415.76 Crores up to March 31,2023. The management is disputing the same and has not accepted the debit of excess penal interest and charges in its books. They have also requested the lenders to reverse the same. In the resolution plan which is approved by two lenders, this amount is likely to be reversed and the resolution plan does not consider the Company liability to pay this.

On account of the company being marked as non performing assets by the lenders no interest has been debited by majority of the lenders. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any.

**28 Depreciation & Amortisation**

Particulars	April 2022 - March 2023	April 2021 - March 2022
Depreciation	2.14	3.61
Total	2.14	3.61

29 Other Expenses

Particulars	April 2022 - March 2023	April 2021 - March 2022
Plant Hire Charges	2.42	1.89
Consumption of Spares	0.41	0.38
Power & Fuel	1.94	1.98
Fees & Consultations	3.32	2.04
Rent	1.13	1.01
Rates & Taxes (incl indirect taxes)	0.29	0.31
Travelling Expenses	1.07	0.89
Communication	0.03	0.03
Insurance	0.66	0.43
Repairs to Plant & Machinery	0.02	0.02
Other Repairs & Maintenance	0.13	0.16
Bank Charges & Guarantee Commission	1.27	2.37
Other Site Expenses	1.07	0.96
Sundry Expenses	0.49	0.62
Compensation Paid for Projects	2.00	-
Sundry Balance Written Off	4.68	2.23
Loss on Joint Venture	0.30	-
Provision for Risk & Contingencies	36.36	-
Loss on Sale of Assets	-	0.17
Contract Assets write off	10.85	-
Loss on Recognition of Project Award	21.36	225.79
Bad Debts	3.00	-
Provision for Doubtful Debts and Advances	20.45	2.52
Loss on sale of Investments	-	0.02
Foreign Exchange Loss (net)	37.47	2.72
Audit Fees	0.24	0.18
Total	150.97	246.72

(a) Remuneration to Statutory Auditors

Particulars	April 2022 - March 2023	April 2021 - March 2022
Audit Fees	0.15	0.15
Limited Review	0.03	0.03
Certification & Other Attest Services	0.06	0.00
Total	0.24	0.18

30 Exceptional Items

Particulars	April 2022 - March 2023	April 2021 - March 2022
Impairment provisions of Loans	-	119.25
Provision for Risks & Contingency	-	11.51
Write back of Provision of Loan & Interest receivable	(100.00)	-
Provision for Investment	62.09	-
Loans & Other Balance written Off (Net)	290.37	-
Impairment of Investments and other Exposure to Sofinter Group	400.00	-
Total	652.46	130.76

Notes related to Exceptional Items:

- i) The Company's funded and non-funded exposure towards Franco Tosi Mecannica S.p.A (FTM) group is Rs.1300.40 crores (fully provided) including Investments and guarantees towards the acquisition loan taken by the SPV. The commissioner in charge of the Extraordinary Administration of Franco Tosi Meccanica S.p.A. had already concluded the sale of the operating business of FTM to the successful bidder and has commenced the disposal of the non-core assets (i.e. those assets which were not part of the sale of operating business), which includes 60 acres of land in Legnano, Italy. The commissioner has not started the actual disposal of the property. However the liabilities to be discharged against the surplus on disposal (net of tax) are not yet crystallised and firmed up as on date. The Commissioner of the said FTM has released summarized statement of affairs from July 2016 to December 2016 from which also the values of assets and liabilities to be discharged there against are unclear.

The management was expecting that the value of the non core assets would be sufficient to cover the exposure of the company. However there has been no progress in the matter either for the disposal of the non core assets or ascertainment of the value of the non core assets by the commissioner in charge of the Extraordinary Administration of Franco Tosi Meccanica S.p.A. Considering the elapse of time and uncertainties relating to the value of the non core assets and its disposal, the management on a prudent basis has provided for the entire exposure, notwithstanding its ongoing endeavor to recover the value of the non core assets

During the Current year there has been incremental provisioning of Rs. 36.36 crores (P. Y. 11.51 crores) due to change in exposure and the same has been shown in Provision for Risk & Contingencies in the statement of profit and loss.

- ii) b) The Group has received an investment proposal from an investor in Sofinter for a sale of stake of 57.5% holding at an aggregate value of Euro 12 Million. Considering the sale proposal, the Company has made provision for impairment of its exposure in Sofinter of an amount of Rs. 400 crores as at March 31, 2023.

In the Previous year : The exposure of the Company in Sofinter S.p.A through two subsidiaries is Rs. 1347.17 crores of which Gammon International BV is Rs. 960.67 Crores and Gammon Holding Mauritius Limited is Rs.386.51 Crores. Based on the earlier valuation of Sofinter group carried out by an independent valuer, there is a diminution in the equity value of Sofinter group as compared to the total exposure of the Company , The management has made estimated provision in equity value of Rs 119.25 Crores and the same has been shown as exceptional item in the statement of profit and loss for the year ended March 31, 2022.

- iii) During the year one of the subsidiary Company has entered into OTS Settlement with its primary lender Axis Bank. Due to the OTS settlement One of the Subsidiary company has Written off the Loan and interest amount of the Bank for the balancing amount. Pursuant to the OTS and resulting change in management documented through tripartite agreement between the subsidiary Company, its Shareholder and Financial Investor, amounts receivable (including interest) from related parties of the majority shareholder has been written off with the consent to each of such parties.

31 Tax Expense

Particulars	April 2022 - March 2023	April 2021 - March 2022
Income tax expense in the statement of profit and loss consists of:		
Current Tax	-	-
Excess short provision for tax	-	-
Deferred tax	(11.55)	1.20
Income tax recognised in statement of profit or loss	(11.55)	1.20
The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows :		
A Current Tax		
Accounting profit before income tax for 12 months	(1,551.63)	(1,084.55)
Enacted tax rates in India (%)	29.12%	29.12%
Computed expected tax expenses	(451.84)	(315.82)
Effect of non- deductible expenses	240.08	253.31
Effect of tax losses and deductible expenses	211.76	62.51
Net Tax Effects	-	-


B Deferred Tax

Particulars	Opening	Recognised in profit and loss	Recognised in OCI	Closing as at March 31, 2022
Property, Plant and Equipment	(84.51)	2.56	-	(87.07)
Non Current Investments	(19.83)	(14.11)	-	(5.72)
Mar-23	(104.34)	(11.55)	-	(92.79)
Property, Plant and Equipment	(83.31)	1.20	-	(84.51)
Non Current Investments	(19.83)	(0.00)	-	(19.83)
Mar-22	(103.14)	1.20	-	(104.34)

32 Earning Per Share
Earnings Per Share (EPS) = Net Profit attributable to Shareholders / Weighted Number of Shares Outstanding

Particulars	April 2022 - March 2023	April 2021 - March 2022
Net Profit attributable to the Equity Share holders	(1540.08)	(1085.75)
O/s number of Equity Shares at the end of the year	36,88,47,305	36,88,47,305
Weighted Number of Shares during the period – Basic	36,88,47,305	36,88,47,305
Weighted Number of Shares during the period – Diluted	36,95,73,105	36,95,73,105
Earning Per Share – Basic (Rs.)	(41.75)	(29.44)
Earning Per Share – Diluted (Rs.)	(41.75)	(29.44)

Reconciliation of weighted number of outstanding during the year :

Particulars	April 2022 - March 2023	April 2021 - March 2022
Nominal Value of Equity Shares (Rupee Per Share)	2.00	2.00
For Basic EPS :		
Number of Equity Shares at the beginning	36,88,47,305	36,88,47,305
Add : Issue of shares	-	-
Outstanding Equity shares at the year end	36,88,47,305	36,88,47,305
Weighted Average of Equity Shares at the end	36,88,47,305	36,88,47,305
For Dilutive EPS :		
Weighted Avg no. of shares in calculating Basic EPS	36,88,47,305	36,88,47,305
Add : Shares kept in abeyance	7,25,800	7,25,800
Weighted Avg no. of shares in calculating Dilutive EPS	36,95,73,105	36,95,73,105

33 Contingent Liability

Particulars	March 31, 2023	March 31, 2022
i Corporate Guarantees and Counter Guarantees given to Bankers towards Guarantees* given by them for Client of the Company and Company's share in the Joint Ventures and for loans to subsidiaries (net of recalled amount accounted as liabilities)	435.84	345.33
ii Disputed Sales Tax Liability for which the Company has gone into appeal	31.04	39.89
iii Claims against the Company not acknowledged as debts	206.74	208.20
iv Disputed Service Tax Liability	2.24	2.24
v In respect of Income Tax Matters of Company and its Joint Ventures	201.23	148.96
vi Disputed Goods & Service Tax Liability	1.86	-
vii Commitment towards capital contribution in subsidiary under contractual obligation	51.32	51.32
viii Disputed stamp duty liability for assets acquired during amalgamation with erstwhile Associated Transrail Structures Limited	2.01	2.01
x Disputed Provident Fund (Rs. 3.73 Crores paid under protest)	2.56	-
xi Right to recompense in favour of CDR Lenders in accordance with the terms of MRA	504.96	504.96

- xii There is a disputed demand of UCO Bank pending since 1986, of USD 436251 i.e. ₹ 3.02 Crore. Against this, UCO Bank has unilaterally adjusted the Company's Fixed Deposit of USD 30584 i.e. ₹.0.21 Crore, which adjustment has not been accepted by the Company.
- xiii Counter Claims in arbitration matters referred by the Company – Liability unascertainable.
- xiv The Disputed Service Tax Liability disclosed above is after considering legal advice on the probability of the liability materialising being remote.
- xv The Company is in the process of regularising various non-compliances under FEMA by compounding and other process. The liability on account of the said non-compliance is presently not ascertainable.

*Note: out of Above Bank Gurantee figure of Rs. 167.37 Crores are unconfirmed

34 Segment Reporting as per IND AS108 “ Operating Segments”

The Company is engaged mainly in “Construction and Engineering” segment. The Company also has “Real Estate Development” as other segments. Revenue from such activities is not significant and accounts for less than 10% of the total revenue and total assets of the Company. Therefore no disclosure of separate segment reporting as required in terms of Indian Accounting Standard INDAS -108 is done in respect of this segment.

Revenue of ₹ 94.00 Crore (PY: ₹ 27.54 Crore) arising from three (PY two) major customer each contributing more than 10% of the total revenue of the Company.

35 Ind As 116 “Leases”

Contractual maturities of Lease Income on undiscounted basis -

Particulars	March 31, 2023	March 31, 2022
Less than one year	1.66	2.06
One to five years	2.35	-
More than five years	-	-
	4.01	2.06

36 Foreign & Domestic Venture

(a) The Company through its Special Purpose Investment Vehicle holds the following stakes :

- Sofinter S.p.A, Italy
- Franco Tosi Mecannica S.p.A, Italy (FTM)
- Sadelmi S.p.A, Italy
- SAE Power Line S.r.l, Italy

(b) The Gammon group owns 67.50% of the total equity capital of Sofinter through two of its wholly owned overseas subsidiaries. However to facilitate continued support on lines of credit, the Board of Sofinter S.p.A has been reconstituted effective from November 2016 with majority vesting with the lending banks of Sofinter group.

In view of what is stated above, the Company contends that it is not able to exercise any influence on the said Sofinter although it holds 67.50% of the Equity. The CEO is also appointed by the Banks and the Bank nominees are controlling the day to day operations and management of the Group. The sole representative of the shareholders on the Board has no vested powers excepting that of the Legal Representative of the Company.

In view of what is stated above, the Company contends that it is not able to exercise any influence on the Group although it holds 67.5% shareholding in Sofinter S.p.A and therefore the said Sofinter is neither accounted as a Subsidiary nor as an Associate at group level.

The Group has received an investment proposal from an investor in Sofinter for a sale of stake of 57.5% holding at an aggregate value of Euro 12 Million. Considering the sale proposal, the Company has made provision for impairment of its exposure in Sofinter of an amount of Rs. 400 crores as at March 31, 2023.

(c) The Company's funded and non-funded exposure towards Franco Tosi Mecannica S.p.A (FTM) group is Rs.1300.40 crores (fully provided) including Investments and guarantees towards the acquisition loan taken by the SPV. The commissioner in charge of the Extraordinary Administration of Franco Tosi Meccanica S.p.A. had already concluded the sale of the operating business of FTM to the successful bidder and has commenced the disposal of the non-core assets (i.e. those assets which were not part of the sale of operating business), which includes 60 acres of land in Legnano, Italy. The commissioner has not started the actual disposal of the property. However the liabilities to be discharged against the surplus on disposal (net of tax) are not yet crystallised and firmed up as on date. The Commissioner of the said FTM has released summarized statement of affairs from July 2016 to December 2016 from which also the values of assets and liabilities to be discharged there against are unclear.



GAMMON INDIA LIMITED

The management was expecting that the value of the non core assets would be sufficient to cover the exposure of the company. However there has been no progress in the matter either for the disposal of the non core assets or ascertainment of the value of the non core assets by the commissioner in charge of the Extraordinary Administration of Franco Tosi Meccanica S.p.A. Considering the elapse of time and uncertainties relating to the value of the non core assets and its disposal, the management on a prudent basis has provided for the entire exposure, notwithstanding its ongoing endeavor to recover the value of the non core assets

During the Current year there has been incremental provisioning of Rs. 36.36 crores (P. Y. 11.51 crores) due to change in exposure and the same has been shown in Provision for Risk & Contingencies in the statement of profit and loss.

- (d) The accounts of a subsidiary M/s Campo Puma Oriente S.A. have not been audited since December 2012, due to certain disputes with the partner in the project. Furthermore, IDBI Bank Dubai, invoked the Stand by letter of credit provided by IDBI Mumbai in the month of October 2016. The exposure of the Company in the said subsidiary is ₹ 439.24 crores. The company had received a valuation report for \$ 60 Million approximately from an independent merchant banker for its share more than 3 years ago, which the management believes is still valid. Considering the elapse of time and the resolution with partner not concluding and the increasing losses being incurred in the oil field, the company has made the entire provision against its exposure.

During the previous year there has been incremental provisioning of Rs. 0.69 crores due to change in exposure and the same has been shown as exceptional item in the statement of profit and loss.

- (e) The Company through its step down subsidiary P. Van Eerd Beheersmaatschappij B.V., Netherlands (PVAN) held a 50% shareholding in Sadelmi S.p.A for Euro 7.50 Million, Italy (Sadelmi) with the remaining 50% held by Busi Impianti S.p.A, Italy since April 2008. Due to the economic conditions prevailing in different parts of the world where Sadelmi was present some of the projects under execution encountered serious contractual problems. Sadelmi therefore sought creditors' protection through a Court in Italy and simultaneously, as part of scheme, applied for transferring the remaining projects and leased all references standing in its name since inception to a new Company Busi Power S.r.l wholly held by Busi Group. The above procedure however has not yet been completed as the decision in the Court is still awaited. The delay is on account of objections raised by some creditors among other reasons. In view of the uncertainties prevailing in Europe and the delay in the outcome of the Court process in respect of the creditors' protection sought by M/s Sadelmi in its application in connection therewith, the Company has, on prudent basis, made full provision towards its funded exposures in connection with the Investment in Sadelmi of Rs.25.72 Crore. The Company has exposure in respect of Corporate Guarantee for acquisition loan by its SPV. The Company has made provision as risks and contingencies aggregating to ₹.1.66 Crore towards the guarantees issued to the banker of its wholly owned SPV PVAN, in respect of loans taken by the said subsidiary for making investment into Sadelmi, in accordance with AS-29 Provisions, Contingent Liabilities and Contingent Assets considering the net worth and operations of the said Sadelmi.
- (f) The Court of Monza in respect of one of the step down Subsidiary SAE Powerlines S.r.L. (Held through ATSL Holdings BV) has declared the bankruptcy. The company has made full provision against its exposure in SAE .

37 Material Uncertainty Relating to Going Concern

The Company's operations have been affected in the last few years by various factors including liquidity crunch, unavailability of resources on timely basis, delays in execution of projects, delays in land acquisition, operational issues etc. The Company's overseas operations are characterized due to weak order booking, paucity of working capital and uncertain business environment. Also the Company's current liabilities exceed the current assets by Rs 9,496.94 Crore as at March 31, 2023. It only increased further in the quarter. The facilities of the Company with the Secured lenders are presently marked as NPA since June 2017. The liquidity crunch has resulted in several winding up petitions being filed against the Company by various stakeholders for recovery of the debts which the Company has been settling as per the mutually agreed repayment terms. The liquidity crunch is affecting the Company's operation with increasing severity. The Secured lenders have recalled the various facilities, initiated recovery suits in the Debt Recovery Tribunals as well as filing a winding up petition with the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy code.

The Company has been making every effort in settling the outstanding CDR dues.

Pursuant to the execution of the Inter Creditor Agreement (ICA) the lenders appointed M/s Deloitte Touche Tohmatsu India LLP as Process Advisory (PA) in the resolution process of the Company. On the recommendation by Deloitte the Company signed an engagement letter with Duff and Phelps (D&P) to carry out the valuation of the Company and estimation on the recoverability of arbitration claims of the Company and on such terms and conditions as directed by IDBI Bank.

In furtherance to the execution of the ICA, the Company submitted a draft resolution plan to the consortium of lenders. Pursuant to the submission of the resolution plan, seven lenders including the lead monitoring institution provided their in-principle sanction to the company and the company is pursuing for the approval with other lenders as well.

Due to delay in approval of resolution plan by other Bankers the fund through which Everstone (Investor) was intended to invest was closed. However, Everstone has shown a keen desire to invest with next available fund.

Due to time constraint, Gammon has proposed an alternate investor with the same terms and conditions for the revival of the Company which is accepted by the Bankers. The lenders discussed the above matter at the Joint Lenders meeting dated 5th March 2022 and while accepting the offer were willing to take up with their higher management for resolution plan of the Company. The Company is awaiting the sanction of the lenders. The resolution process is in the advanced stage and the management is hopeful that the sanctions will be received soon.

Meanwhile the company has received a notice from Union Bank of India and Punjab National Bank under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, taking over the possession of the Gammon House property including the land appurtenant to it. The company has been restrained from parting with the rights over the said property. The total demand raised by this notice is Rs. 1136.71 Cr. Pursuant to SARFAESI Union Bank of India has also issued several e-auction notices the latest on February 20, 2023.

The management is hopeful of obtaining approval of all the lenders to the above plan and execute documents accordingly and maintain its going concern status and to that effect is continuously engaged with the lenders for a solution.

Therefore, in the view of the management the going concern assumption of GIL is intact and these financials are prepared on a going concern basis. The above action plan of the Company for repaying the debts and servicing the same including the necessary value of the balance stake being available and realisation of the claim amounts filed by the Company, monetisation of the stake sale of investments and also the acceptance of the resolution proposal by the lenders is exposed to material uncertainties which may affect the going concern assumption.

38 Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 "Related Party Disclosures" has been set out in a separate Statement A.

39 Financial Instruments

(i) **The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 is as follows:**

Particulars		Carrying Value		Fair Value	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
A	Financial Assets				
(i)	<u>Amortised Cost:</u>				
	Loans	196.65	657.79	196.65	657.79
	Others	55.98	136.87	55.98	136.87
	Trade receivables	366.58	236.09	366.58	236.09
	Cash and cash equivalents	0.00	0.01	0.00	0.01
	Equity Instrument	37.39	114.39	37.39	114.39
	Bank Balance	1.56	10.26	1.56	10.26
(ii)	<u>FVTPL</u>			-	-
	Mutual Funds & Equity Instrument	0.03	0.03	0.04	0.03
(iii)	<u>FVTOCI</u>			-	-
	Equity Instrument	7.28	7.28	7.28	7.28
	Total Financial Assets	665.46	1,162.71	665.47	1,162.71
B	Financial Liabilities				
(i)	<u>Amortised Cost</u>				
	Borrowings	-	-	-	-
	Trade payables	104.50	109.45	104.50	109.45
	Others	9,011.09	8,126.47	9,011.09	8,126.47
	Total Financial Liabilities	9,115.59	8,235.92	9,115.59	8,235.92



(ii) Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and floating interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have significant effect on recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on recorded fair value that are not based on observable market data

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Particulars	Fair Value measurement using				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Valuation Technique
Financial assets measured at fair value					
Investment in Current Investments					
Shares	March 31, 2023	0.04	-	-	Market Value of Shares
	March 31, 2022	0.03	-	-	
Mutual Funds	March 31, 2023	-	-	-	Market Value of Mutual Funds
	March 31, 2022	-	-	-	
Equity Investments - FVTOCI					
Equity Shares	March 31, 2023	-	7.28	-	Based on Valuation considered by lenders for pledge invocation during the year 2018-19
	March 31, 2022	-	7.28	-	
Total financial assets		0.04	7.28	-	

(iii) Financial Risk Management Objectives And Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

(a) Market Risk :

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Unhedge	March 31, 2023		March 31, 2022	
	Receivable	Payable	Receivable	Payable
USD - US Dollar	34,79,01,563	10,37,02,270	34,52,51,600	10,37,02,270
EUR - Euro	7,01,63,862	2,32,64,585	7,01,63,862	2,32,64,585
AED - UAE Dirham	1,14,905	-	1,14,905	-
ETB - Ethiopian Birr	4,18,10,175	48,53,733	4,18,10,175	48,53,733

Receivable :- As at March 31, 2023 is ₹ 3,495.67 Crore and March 31, 2022 is ₹ 3217.65 Crore.

Payable : As at March 31, 2023 is ₹ 1,061.81 Crore and March 31, 2022 is ₹ 983.81 Crore

Hedge Foreign currency :

Receivable :- As at March 31, 2023 is ₹ NIL and March 31, 2022 is ₹ NIL

Payable : As at March 31, 2023 is ₹ NIL and March 31, 2022 is ₹ NIL.

Foreign currency sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Increase/(decrease) in profit or loss	March 31, 2023		March 31, 2022	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD - US Dollar	20.08	(20.08)	18.31	(18.31)
EUR - Euro	4.20	(4.20)	3.97	(3.97)
AED - UAE Dirham	0.00	(0.00)	0.00	(0.00)
ETB - Ethiopian Birr	0.06	(0.06)	0.05	(0.05)

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact on the operating profits of the Company.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in inactive markets or inputs that are directly or indirectly observable in the market place.

**(b) Credit risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 366.57 crore and ₹ 236.09 crore as of March 31, 2023 and March 31, 2022 respectively, unbilled revenue amounting to ₹ 683.69 crore and ₹ 763.69 crore as of March 31, 2023 and March 31, 2022, respectively. To manage this, the Company monitors whether the collections are made within the contractually established deadlines. In addition to this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(c) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
March 31, 2023	Plus 100 basis point	(38.60)
	Minus 100 basis points	38.60
March 31, 2022	Plus 100 basis point	(38.14)
	Minus 100 basis points	38.14

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(d) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Working Capital Position of the Company :

Particulars	March 31, 2023	March 31, 2022
Cash and Cash Equivalent	0.00	0.01
Bank Balance	1.56	10.26
Current Investments in mutual Funds and Shares	0.03	0.03
Inventory	10.97	32.71
Trade Receivable Current	5.83	31.16
Loans & Advances Current	0.11	0.27
Other Financial Assets Current	32.07	29.85
Total	50.57	104.29

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	Within One year	One - Five year	Total
As at March 31, 2023			
Long term Borrowing	-	-	-
Short term borrowings	-	-	-
Trade payables	92.80	11.70	104.50
Other financial liabilities	8,999.09	12.00	9,011.09
Total	9,091.89	23.70	9,115.59

Particulars	Within One year	One - Five year	Total
As at March 31, 2022			
Long term Borrowing	-	-	-
Short term borrowings	-	-	-
Trade payables	97.49	11.96	109.45
Other financial liabilities	8,114.47	12.00	8,126.47
Total	8,211.96	23.96	8,235.92

(e) Competition Risk:

The Company is operating in a highly competitive environment with various Companies wanting a pie in the project. This invariably results in bidding for projects at low margins to maintain a steady flow of the projects to enable the group to retain the projects team and to maintain sustainable operations for the Company and the SPVs. The ability of the Company to build the infrastructure at a competitive price and the ability to start the tolling operations is very important factor in mitigating the competition risk for the group.

(f) Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the group sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.



40 Capital Management

Particulars	March 31, 2023	March 31, 2022
Gross Debt	5,079.31	4,955.12
Less:		
Cash and Cash Equivalent	0.00	0.01
Bank Balance	1.56	10.26
Marketable Securities -Liquid Mutual Funds	0.03	0.03
Net debt (A)	5,077.72	4,944.82
Total Equity (B)	(7,533.20)	(5,993.10)
Gearing ratio (A/B)	-	-

For the purpose of the Group’s capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group’s capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

41 Significant Accounting Judgments, Estimates And Assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods .

Judgments

In the process of applying the company’s accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an ‘AA’ rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

42 Details of Rounded Off Amounts

The Financial Statements are represented in Rupees Crore. Those items which were not represented in the financial statement due to rounding off.

All the amounts Below are in Rupees

Particulars	March 31, 2023	March 31, 2022
Non Current Investment		
Airscrew (India) Limited	1,000	1,000
Alpine Environmental Engineers Limited	20,000	20,000
Bhagirathi Bridge Construction Company Limited	30,000	30,000
Modern Flats Limited (Unquoted)	22,100	22,100
Neptune Tower Properties Private Limited	-	-
Investment In Partnership-Capital Contribution-Gammon Shah	25,000	25,000
Current Investment		
HDFC Mutual Fund - Floating Rate Income Fund	24,881	24,881

43 The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.

44 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2023.

As per our report of even date

For Natvarlal Vepari & Company

Chartered Accountants
Firm Registration No. 107023W

Nuzhat Khan

Partner
M.No. 124960
Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

For and on behalf of the Board of Directors
Gammon India Limited

Anurag Choudhry
Chief Financial Officer

Sandeep Sheth
Executive Director
DIN No. 08781589

Ajit B. Desai
Chief Executive Officer

Niki Shingade
Company Secretary
M.No.ACS 19594



ANNEXURE - 1

Statement A

Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 “Related Party Disclosures”

A	List of Related Parties		
	<u>SUBSIDIARIES</u>		<u>ASSOCIATES</u>
1	Ansaldoaldai Boilers India Private Limited	1	Finest S.p.A Italy
2	ATSL B.V., Netherland	2	AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited)
3	ATSL Infrastructure Projects Limited	3	RAS Cities and Townships P Ltd
4	Associated Transrail Structures Limited, Nigeria		
5	Campo Puma Oriente S.A.		
6	Deepmala Infrastructure Private Limited		Key Managerial Personnel
7	Gammon Real Estate Developers Private Limited	1	Mr. Anurag Choudhry (Chief Financial Officer)
8	Franco Tosi Turbines Private Limited	2	Mr. Ajit B. Desai (Chief Executive Officer)
9	Gactel Turnkey Projects Limited	3	Mr. Sandeep Sheth (Executive Director)
10	Gammon Holdings (Mauritius) Limited	4	Mrs. Niki Shingade
11	Gammon Holdings B.V.		
12	Gammon International B.V.		
13	Gammon International FZE		
14	Gammon Power Limited		
15	Gammon Realty Limited		<u>Independent Director</u>
16	Gammon Retail Infrastructure Private Limited	1	Mr. Soumendra Nath Sanyal
17	Metropolitan Infrahousing Private Limited	2	Mr. Ulhas Prabhakar Dharmadhikari
18	P.Van Eerd Beheersmaatschappaji B.V.	3	Mr. Vinath Hegde
19	Patna Water Supply Distribution Network Pvt Ltd	4	Mr. Kashi Nath Chatterjee
20	Gammon Transmission Limited		
	<u>STEPDOWN SUBSIDIARIES</u>		
1	Franco Tosi Meccanica S.p.A*		
2	Gammon Italy S.r.l		
3	SAE Powerlines S.r.l.*		
	<u>JOINT VENTURE</u>		
1	Gammon OJSC Mosmetrostroy		
2	Gammon SEW		
3	Gammon Srinivasa		
4	Hyundai Gammon		
5	Sofinter S.p.A		
6	GIPL GIL Jv		

* The Company is under liquidation

Statement A

Related Party Disclosure as required by Indian Accounting Standard – IND AS 24
“Related Party Transactions” of the Companies (Accounting Standards) Rule 2015.

Transactions with Related Parties

Rs in Crores

Description	Subsidiaries		Associate		Key Managerial Personnel and their relative		Joint Ventures		Total	
	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22
<u>Rent Income</u>										
AJR Infra and Tolling Limited	-	-	0.01	0.01	-	-	-	-	0.01	0.01
TOTAL	-	-	0.01	0.01	-	-	-	-	0.01	0.01
<u>Interest Income</u>										
Gammon Holdings (Mauritius) Ltd	9.42	11.45	-	-	-	-	-	-	9.42	11.45
TOTAL	9.42	11.45	-	-	-	-	-	-	9.42	11.45
<u>Finance provided for Loans, expenses & on a/c payments</u>										
Deepmala Infrastructure Private Limited	0.06	36.28	-	-	-	-	-	-	0.06	36.28
Others	0.01	-	-	-	-	-	-	-	0.01	-
TOTAL	0.07	36.28	-	-	-	-	-	-	0.07	36.28
<u>Reimbursement of expenses incurred by the Company</u>										
Gammon SEW	-	-	-	-	-	-	0.06	0.11	0.06	0.11
TOTAL	-	-	-	-	-	-	0.06	0.11	0.06	0.11
<u>Reimbursement of expenses incurred on behalf of the Company</u>										
Gammon SEW	-	-	-	-	-	-	0.56	0.48	0.56	0.48
TOTAL	-	-	-	-	-	-	0.56	0.48	0.56	0.48
<u>Fund Received for above Reimbursement</u>										
Gammon SEW	-	-	-	-	-	-	-	0.67	-	0.67
TOTAL	-	-	-	-	-	-	-	0.67	-	0.67
<u>Share of Profit</u>										
Gammon SEW	-	-	-	-	-	-	0.30	0.43	0.30	0.43
TOTAL	-	-	-	-	-	-	0.30	0.43	0.30	0.43
<u>Provision Created For Loans</u>										
Deepmala Infrastructure Private Limited	61.77	-	-	-	-	-	-	-	61.77	-
TOTAL	61.77	-	-	-	-	-	-	-	61.77	-
<u>Provision Created For Investment</u>										
Deepmala Infrastructure Private Limited	62.09	-	-	-	-	-	-	-	62.09	-
TOTAL	62.09	-	-	-	-	-	-	-	62.09	-



Description	Subsidiaries		Associate		Key Managerial Personnel and their relative		Joint Ventures		Total	
	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22
<u>Provision for Loans and Advances</u>										
Gammon International B.V.	-	80.91	-	-	-	-	-	-	-	80.91
Deepmala Infrastructure Private Limited	61.77	-	-	-	-	-	-	-	61.77	-
Gammon Holdings (Mauritius) Ltd		38.34							-	38.34
Others	-	-	-	-	-	-	-	-	-	-
TOTAL	61.77	119.25	-	-	-	-	-	-	61.77	119.25
<u>Guarantees and Collaterals Outstanding</u>										
Gammon Holdings B.V.	156.22	156.22	-	-	-	-	-	-	156.22	156.22
Gammon International B.V.	117.42	117.42	-	-	-	-	-	-	117.42	117.42
Others	12.03	12.03							12.03	12.03
TOTAL	285.68	285.68	-	-	-	-	-	-	285.68	285.68
<u>Managerial Remuneration Paid</u>										
Mr. Ajit B. Desai	-	-	-	-	0.80	0.79	-	-	0.80	0.79
Mr. Anurag Choudhry	-	-	-	-	0.54	0.54	-	-	0.54	0.54
Mr. Sandeep Sheth	-	-	-	-	0.52	0.20	-	-	0.52	0.20
Nikki Shingade	-	-	-	-	0.20	0.20	-	-	0.20	0.20
TOTAL	-	-	-	-	2.06	1.73	-	-	2.06	1.73
<u>Post Employment benefit</u>										
Nikki Shingade	-	-	-	-	0.01	0.01	-	-	0.01	0.01
TOTAL	-	-	-	-	0.01	0.01	-	-	0.01	0.01
<u>Director Sitting fees</u>										
S N Sanyal	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Ulhas Dharmadhikari	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Kashi Nath Chatterjee	-	-	-	-	0.02	0.01	-	-	0.02	0.01
Vinath Hegde	-	-	-	-	0.02	0.01	-	-	0.02	0.01
TOTAL	-	-	-	-	0.09	0.06	-	-	0.09	0.06
<u>Closing Balances of Related Parties</u>										
<u>Balance at year end</u>										
<u>Loans & Advances Receivables</u>										
Gammon Holdings B.V.	709.62	709.62	-	-	-	-	-	-	709.62	709.62
Gammon International B.V.	726.41	715.14	-	-	-	-	-	-	726.41	715.14
Campo Puma Oriente S.A.	406.11	406.11	-	-	-	-	-	-	406.11	406.11
Others	1,487.36	1,715.64	0.52	0.52					1,487.88	1,716.16
TOTAL	3,329.51	3,546.51	0.52	0.52	-	-	-	-	3,330.03	3,547.03

Description	Subsidiaries		Associate		Key Managerial Personnel and their relative		Joint Ventures		Total	
	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22
<u>Loans and Guarantee o/s in the nature of Equity</u>										
Gammon Realty Limited	44.80	44.80	-	-	-	-	-	-	44.80	44.80
Deepmala Infrastructure Private Limited	-	62.09	-	-	-	-	-	-	-	62.09
Gammon Power Limited	47.23	47.23							47.23	47.23
Others			-	-			-	-	-	-
TOTAL	92.03	154.12	-	-	-	-	-	-	92.03	154.12
<u>Provision made for doubtful debts</u>										
Metropolitan Infrahousing Private Limited	325.83	325.83	-	-	-	-	-	-	325.83	325.83
Gammon Holdings B.V.	804.20	804.20	-	-	-	-	-	-	804.20	804.20
Gammon International B.V.	648.21	648.21	-	-	-	-	-	-	648.21	648.21
Campo Puma Oriente S.A.	425.53	425.53	-	-	-	-	-	-	425.53	425.53
Others	935.10	1,035.10	1.77	1.77					936.87	1,036.87
TOTAL	3,138.88	3,238.88	1.77	-	-	-	-	-	3,140.65	3,240.65
<u>Interest Receivable</u>										
Metropolitan Infrahousing Private Limited	62.87	62.87	-	-	-	-	-	-	62.87	62.87
Gammon Holdings B.V.	94.58	94.58	-	-	-	-	-	-	94.58	94.58
Gammon Holdings (Mauritius) Ltd	99.42	83.22	-	-	-	-	-	-	99.42	83.22
Gammon International B.V.	66.35	66.35	-	-	-	-	-	-	66.35	66.35
Others	108.58	146.80	1.25	1.25					109.83	148.05
TOTAL	431.80	453.84	1.25	1.25	-	-	-	-	433.06	455.09
<u>Trade & Other Receivable</u>										
SAE Power Lines s.r.l	192.86	192.86	-	-	-	-	-	-	192.86	192.86
Gammon OJSC Mosmetrostroy	-	-	-	-	-	-	532.00	532.00	532.00	532.00
Others	7.93	7.93					49.62	11.63	57.55	19.56
TOTAL	200.79	200.79	-	-	-	-	581.62	543.63	782.41	744.42
<u>Trade & Others Payable</u>										
Gammon OJSC Mosmetrostroy	-	-	-	-	-	-	6.90	6.90	6.90	6.90
Gammon SEW	-	-	-	-	-	-	2.31	1.81	2.31	1.81
Deepmala Infrastructure Private Limited	-	1.24	-	-	-	-	-	-	-	1.24
RAS Cities and Townships P Ltd	-	-	2.48	2.48	-	-	-	-	2.48	2.48
Others	0.74	0.74							0.74	0.74
TOTAL	0.74	1.98	2.48	2.48	-	-	9.21	8.71	12.42	13.16

Transactions pertaining to contract revenue and contract expenses with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



**Statement B- Analytical Ratios
2022-2023**

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
1	Current ratio	<u>Current Asset</u>	0.01	0.02	(47.37)	
		Current Liabilities				
2	Debt-Equity ratio	<u>Total Debts</u>	(0.51)	(0.64)	(19.48)	
		Shareholders Equity				
3	Debt Service Coverage ratio	<u>Earnings available for debt service</u>	-	-	-	Since the company is in default and not servicing its debt and interest obligation and therefore debt service coverage ratio is not given
		Debt Service				
4	Return on Equity ratio (ROE)	<u>Net Profits after taxes – Preference Dividend</u>	22.77%	19.92%	14.31	
		Average Shareholder's Equity				
	(Return on Equity is positive only for the fact that numerator and denominator are negative resulting into positive ROE)					
5	Inventory Turnover Ratio	<u>Cost of goods sold</u>	5.42	1.22	344.13	Recognition of project award
		Average Inventory				
6	Trade Receivables turnover ratio	Net Credit Sales	0.34	0.10	232.21	Recognition of project award
		Average Accounts Receivable				
7	Trade payables turnover ratio	<u>Net Credit Purchases*</u>	0.24	0.23	4.84	
		Average Trade Payables				
	<i>*(Includes subcontractor expenses)</i>					
8	Net capital turnover ratio	<u>Net Sales</u>	(0.01)	(0.00)	231.00	Recognition of project award
		Average working capital				
9	Net profit ratio	<u>Net Profit after Tax</u>	(1,517.61)	(3,925.34)	(61.34)	Recognition of project award
		Net Sales				

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
10	Return on Capital employed (ROCE)	<u>Earning before interest and taxes</u>	20.62%	17.48%	18.00	
		Capital Employed				
	(Return on capital employed is positive only for the fact that numerator and denominator are negative resulting into positive ROCE)					
11	Return on Investment (ROI)	$\frac{\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}}{\{MV(T0) + \text{Sum } [W(t) * C(t)]\}}$	-	-		Investments in subsidiaries and associates are strategic and non treasury hence this ratio is not given



Consolidated Balance Sheet as at 31, March 2023

(All figures are in ₹ in Crore unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	405.51	412.56
(b) Capital work-in-progress		-	-
(c) Intangible Asset		-	-
(d) Goodwill on Consolidation	3	-	-
(e) Financial assets			
(i) Investments	4	33.70	578.19
(ii) Trade receivable	5	369.89	220.09
(iii) Loans	6	89.74	89.66
(iv) Others financial assets	7	4.69	4.57
(f) Deferred tax assets (net)	8	-	0.18
(g) Other non-current assets	9	1,153.67	1,242.41
TOTAL NON-CURRENT ASSETS		2,057.20	2,547.66
CURRENT ASSETS			
(a) Inventories	10	503.00	874.12
(b) Financial assets			
(i) Investments	4	0.04	0.04
(ii) Trade receivables	5	31.05	55.37
(iii) Cash and cash equivalents	11	2.30	1.56
(iv) Bank balances	11	4.26	14.23
(v) Loans	6	8.37	62.62
(vi) Others financial assets	7	35.59	34.19
(c) Other current assets	9	85.67	149.67
TOTAL CURRENT ASSETS		670.28	1,191.80
TOTAL ASSETS		2,727.48	3,739.47
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	74.11	74.11
(b) Other equity	13	(8,241.95)	(6,570.62)
Equity attributable to owners of the Company		(8,167.84)	(6,496.51)
(c) Non-controlling interests	14	(117.15)	(146.46)
TOTAL EQUITY		(8,284.99)	(6,642.97)
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	15	103.00	-
(ii) Trade payables			
- Total outstanding dues to Micro and Small Enterprises	16	-	-
- Total outstanding dues to other than Micro and Small Enterprises	16	22.85	23.21
(iii) Other financial liabilities		0.00	-
(b) Provisions	17	3.19	2.96
(c) Deferred tax liabilities (net)	8	92.63	104.35
(d) Other non-current liabilities	18	211.13	188.94
TOTAL NON-CURRENT LIABILITIES		432.80	319.46
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	19	153.35	572.13
(ii) Trade payables			
- Total outstanding dues to Micro and Small Enterprises	16	0.29	0.34
- Total outstanding dues to other than Micro and Small Enterprises	16	151.69	176.17
(iii) Other financial liabilities	20	9,837.70	8,929.11
(b) Other current liabilities	21	82.48	95.32
(c) Provisions	17	354.16	284.06
(d) Current tax liabilities (net)	22	0.00	5.85
TOTAL CURRENT LIABILITIES		10,579.67	10,062.98
TOTAL EQUITY AND LIABILITIES		2,727.48	3,739.47

Statement of significant accounting policies and explanatory notes forms an integral part of the Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

Gammon India Limited

For Natvarlal Vepari & Company

Chartered Accountants

Firm Registration No. 107023W

Anurag Choudhry

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Sandeep Sheth

Executive Director

DIN No. 08781589

Nuzhat Khan

Partner

M.No. 124960

Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal

Audit Committee chairman

DIN No. 06485683

Ajit B. Desai

Chief Executive Officer

Niki Shingade

Company Secretary

M.No.ACS 19594

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(All figures are in ₹ in Crore unless otherwise stated)

Sr No	Particulars	Note No.	2022-23	2021-22
I	Revenue from Operations	23	115.05	27.85
II	Other Income	24	123.26	13.61
III	Total Income (I +II)		238.31	41.46
IV	Expenses			
	Cost of Sales	25	29.84	11.42
	Changes in inventories of finished goods, work-in progress and stock-in-trade	26	21.95	-
	Subcontracting Expenses	27	8.99	14.29
	Employee benefits expense	28	9.57	8.68
	Finance Costs	29	965.35	870.56
	Depreciation & amortization expenses	30	2.22	3.70
	Other expenses	31	147.34	312.52
	Total Expenses		1,185.26	1,221.17
V	Profit/(Loss) before exceptional items and tax(III- IV)		(946.95)	(1,179.71)
VI	Exceptional items (Expense) / Income	32	39.60	-
VII	Profit / (loss) before share of (profit)/loss of associates and joint ventures and tax		(907.35)	(1,179.71)
	Share of profit / (loss) of associates and joint ventures		(0.30)	0.43
VIII	Profit/(loss) before tax		(907.65)	(1,179.28)
IX	Tax expenses	33		
	Current Tax		-	-
	Excess / Short Provision of Earlier years		1.06	-
	Deferred Tax Liability / (asset)		(11.53)	1.23
	Total tax expenses		(10.47)	1.23
X	Profit after tax for the period		(897.18)	(1,180.51)
XI	Other Comprehensive Income:			
A	Items that will not be reclassified to profit or loss:			
	- Remeasurements of the defined benefit plans [net of tax]		-	0.04
B	Items that will be reclassified to profit or loss			
	- Exchange differences through OCI		(46.84)	47.91
	- Net gain/ (loss) on fair value of equity instruments through OCI		(698.00)	(202.52)
	Other Comprehensive Income for the year (A+B)		(744.84)	(154.57)
XII	Total Comprehensive Income / (Loss) For The Period (X +XII)		(1,642.02)	(1,335.08)
	Profit for the year attributable to:			
	- Owners of the Company		(926.49)	(1,167.88)
	- Non- Controlling interest		29.31	(12.63)
	Other Comprehensive Income attributable to:			
	- Owners of the Company		(744.84)	(154.57)
	- Non- Controlling interest		-	-
	Total Comprehensive Income attributable to:			
	- Owners of the Company		(1,671.33)	(1,322.45)
	- Non- Controlling interest		29.31	(12.63)
XIII	Earnings per equity share (FV: Rs 2 each)	34		
	Basic		(25.12)	(31.66)
	Diluted		(25.12)	(31.66)

As per our report of even date

For Natvarlal Vepari & Company

Chartered Accountants

Firm Registration No. 107023W

Nuzhat Khan

Partner

M.No. 124960

Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal

Audit Committee chairman

DIN No. 06485683

For and on behalf of the Board of Directors

Gammon India Limited**Anurag Choudhry**

@A-23 a 8&A-23

Ajit B. Desai

Chief Executive Officer

Sandeep Sheth

Executive Director

DIN No. 08781589

Niki Shingade

Company Secretary

M.No.ACS 19594



Consolidated Cash Flow Statement for the year ended 31 March 2023

(All figures are in ₹ in Crore unless otherwise stated)

Particulars		2022-23	2021-22
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (loss) before share of (profit)/loss of associates and joint ventures and tax	(907.35)	(1,179.71)
	Adjustments for :		
	Depreciation	2.22	3.70
	Interest Expenses and Other Finance Cost	965.35	870.56
	(Profit) / Loss on Sale of Assets	(5.58)	0.17
	Loss on Sale/Revalue of Investment	(0.03)	0.02
	Bad Debt	8.78	-
	Loss on Recognition of Award	21.36	225.79
	Provision for Doubtful Debts and Advances	0.33	2.52
	Exceptional Item	(39.60)	-
	Foreign Exchange Loss / (Gain)	(76.50)	60.92
	Interest Income	(1.02)	(0.17)
	Provision for Risk & Contingencies	36.36	6.79
	Sundry Balances Written off	5.64	2.23
	Contract Assets Written off	10.85	-
	Asset written off	-	0.05
	Sundry Balances Written Back	(36.40)	(7.19)
	Operating Profit Before Working Capital Changes	(15.59)	(14.32)
	Trade Receivables	(54.59)	3.24
	Inventories	6.56	(0.29)
	Other financial and non financial Asset	14.75	11.30
	Trade Payables and Provision	30.08	(0.19)
	Other financial and non financial liabilities	(5.82)	0.01
	CASH GENERATED FROM THE OPERATIONS	(24.61)	(0.25)
	Direct Taxes Paid / (Refund)	(1.42)	1.26
	Net Cash from Operating Activities	(23.18)	(1.51)
B	CASH FLOW FROM INVESTMENT ACTIVITIES		
	Sale of Fixed Assets	1.79	2.11
	Other Bank Balance	9.97	(2.36)
	Proceeds from sales of investment	(0.01)	0.00
	Loans (Given)/Repaid to/by Others	(0.46)	0.25
	Interest Received	1.07	0.18
	Net Cash from Investment Activities	12.36	0.18

Consolidated Cash Flow Statement for the year ended 31 March 2023

(All figures are in ₹ in Crore unless otherwise stated)

Particulars	2022-23	2021-22
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(0.71)	0.00
Proceeds from Short term Borrowings	158.97	0.80
Repayment from Short term Borrowings	(146.70)	-
Net Cash from Financing Activities	11.56	0.80
NET INCREASE IN CASH AND CASH EQUIVALENTS	0.74	(0.53)
Opening Balance	1.56	2.09
Closing Balance	2.30	1.56
NET INCREASE IN CASH AND CASH EQUIVALENTS	0.74	(0.53)
Components of Cash and Cash Equivalents		
Cash on Hand	0.01	0.01
Balances with Bank	2.29	1.55
Total Balance	2.30	1.56

Note: Figure in brackets denote outflows.

Statement of significant accounting policies and explanatory notes forms an integral part of the Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

Gammon India Limited

For Natvarlal Vepari & Company

Chartered Accountants

Firm Registration No. 107023W

Anurag Choudhry

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Sandeep Sheth

Executive Director

DIN No. 08781589

Nuzhat Khan

Partner

M.No. 124960

Mumbai, Dated : October 28, 2023

Soumendra Nath Sanyal

Audit Committee chairman

DIN No. 06485683

Ajit B. Desai

Chief Executive Officer

Niki Shingade

Company Secretary

M.No.ACS 19594



Notes to Financial Statements for the year ended March 31, 2023

Statement of Changes in Equity for the period ended March 31, 2023

(All figures are in ₹ in Crore unless otherwise stated)

A Equity Share Capital

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	Rs. in crore	Number of Shares	Rs. in crore
Subscribed and Fully Paid up Capital				
Equity shares of INR 10 each				
Opening Balance	36,88,47,305	73.77	36,88,47,305	73.77
Changes in equity share capital during the year	-	-	-	-
Closing Balance	36,88,47,305	73.77	36,88,47,305	73.77
Share Forfeiture Account				
Money received in respect of Right Shares of Rs.10/- each forfeited	1,70,948	0.34	1,70,948.00	0.34
Total	36,90,18,253	74.11	36,90,18,253	74.11

B Other Equity

Particulars	Reserves & Surplus							Other Comprehensive Income			
	Retained Earnings	Capital Redemption Reserve	Capital Reserve	Security Premium Reserve	Debenture Redemption Reserve	General Reserve	Promoters Contribution	Treasury Shares	Net gain/ (loss) on fair value of equity instruments	Gain/ (loss) on exchange fluctuations	Total
Balance as at 31 March 2021	(7,095.66)	105.00	15.49	1,262.20	81.00	363.06	100.00	(1.69)	156.60	(234.17)	(5,248.17)
Profit for the year	(1,167.88)										(1,167.88)
Fair Valuation of Investment carried at FVTOCI									(202.52)		(202.52)
Exchange difference through OCI										47.91	47.91
Re-measurement of net defined benefit plans	0.04										0.04
Balance as at 31 March 2022	(8,263.50)	105.00	15.49	1,262.20	81.00	363.06	100.00	(1.69)	(45.92)	(186.26)	(6,570.62)
Profit for the year	(926.49)										(926.49)
Transfer to Debenture Redemption Reserve	(15.45)				15.45						-
Fair Valuation of Investment carried at FVTOCI									(698.00)		(698.00)
Exchange difference through OCI										(46.84)	(46.84)
Re-measurement of net defined benefit plans	-										-
Balance as at 31 March 2023	(9,205.44)	105.00	15.49	1,262.20	96.45	363.06	100.00	(1.69)	(743.92)	(233.10)	(8,241.95)

(a) The General Reserve is created to comply with The Companies (Transfer of Profit and Reserve rules 1975).

(b) Securities premium reserve

Securities premium is used to record the premium on issue of shares or debentures. The reserve will be utilised in accordance with the provisions of the Act.

(c) Debenture Redemption Reserve

In accordance with Circular issued by Ministry of Corporate Affairs No. 04/2013 dated 11.02.2013 the Company is maintaining the Debenture Redemption Reserve to the extent of 25% of the outstanding debentures. In accordance with the Companies (Share Capital and Debenture) Rules, 2014 the Company is maintaining the Debenture Redemption Reserve to the extent of 25% of the outstanding debentures. The Company has however not set aside or earmarked liquid assets of ₹ 43.40 crores (PY: ₹ 43.40 crore) being 15% of the amount of Debenture due for redemption as at March 2022 as required by the aforesaid Circular in view of the financial crunch faced by the Company. Since the entire facility is recalled by the lenders the entire amount of Non Convertible Debenture is considered as current and 15% of earmarked fund is calculated on the entire amount.

(d) Capital Reserve

Pursuant to a Scheme of Arrangement between the company, Transrail Lighting Limited (TLL) and their respective shareholders and creditors pursuant to Sections 391 to 394 read with sections 100 to 103 of the Companies Act, 1956 for transfer of the retained Transmission and Distribution Undertaking (as defined in the scheme) of GIL and in accordance with the directions of the National Company Law Tribunal (“NCLT”) the company has recorded the fair value of the consideration received from TLL by way of 725,000 Equity Shares issued by TLL as Non-Current Investments and has derecognised book values of the assets and liabilities of retained T&D Undertaking transferred to TLL. The resultant difference of Rs 11.52 crore has been credited to Capital reserve account.

(e) Promoters Contribution

The Company had pursuant to the Shareholders approval in May, 2015, received Rs.100 Cr to issue Unsecured Zero Coupon Compulsorily Convertible Debentures to the promoters against their contribution made to the Company’s Corporate Debt Restructuring (“CDR”) package. However no allotment was made, since the in-principle approval for allotment was awaited from BSE Ltd.

On 26th April,2016 , BSE has directed the Company to modify the “relevant date” adopted by the Company for the pricing of the CCD’s and seek shareholders approval afresh.

(f) Treasury Shares

Pursuant to the Scheme of Amalgamation with ATSL in 2008, the Company owns 58,04,620 Equity Shares of itself through Gammon India Trust which was allotted the shares against the Company’s holding in erstwhile ATSL in terms of the order of the Hon’ble High Court of Mumbai and Gujarat.

As per our report of even date

For and on behalf of the Board of Directors

For Natvarlal Vepari & Company

Chartered Accountants
Firm Registration No. 107023W

Nuzhat Khan

Partner
M.No. 124960
Mumbai, Dated : October 28, 2023

Gammon India Limited

Anurag Choudhry
@ 40 8 8 4 1 - 3 1
Executive Director
DIN No. 08781589

Soumendra Nath Sanyal
Audit Committee chairman
DIN No. 06485683

Ajit B. Desai
Chief Executive Officer

Niki Shingade
Company Secretary
M.No.ACS 19594



GAMMON INDIA LIMITED

Note : 1 - Summary of significant accounting policies and other explanatory information to the consolidated financial statements for the year ended March 31, 2023.

A. CORPORATE INFORMATION

Gammon India Limited is a civil engineering construction company incorporated in the year 1922. It originated as a construction business in the year 1919 founded by John C. Gammon and was taken over by its present Promoter Abhijit Rajan in the year 1991.

Prominently it is one of the largest infrastructure companies in India with several multifarious civil engineering projects to its credit. Broadly, its specific segments of specialisation in infrastructure are transportation, power projects, transmission & distribution, structural designs, irrigation projects, ground engineering & water supply. Having established its leadership in construction and turnkey projects, it is also accredited with expertise in roads, flyovers and bridges. Besides its large scale of operations in the Construction and Infrastructure domain, Gammon has a dominant presence in energy business in which it operates in the hydro, nuclear and thermal power segments- having India's first second generation nuclear power plant in Kalapakkam to its credit.

Gammon's projects cover businesses and projects involving highways, public utilities, environmental engineering and marine structures. Gammon's expertise also covers the design, financing, construction and operation of modern bridges, ports, harbours, thermal & nuclear power stations, viaducts, dams, high-rise structures, chemical & fertiliser complexes and metro rail, both on a Built-Operate-Transfer (BOT) basis as well as contract execution. Gammon is also active in the Social Infrastructure sector through its operations in the realty project segment.

The Consolidated Financial Statements are approved for issue by the Company's Board of Directors in the meeting held on October 28, 2023

B. Recent Pronouncements

Ministry of corporate affairs (MCA) notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued and amended from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

a. Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

b. Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

c. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty" Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

i) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards ('IndAS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after 1st April, 2015. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS and the provisions of the Companies Act, 2013 ('Act') (to the extent notified).

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values, which are disclosed in the Financial Statements.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied except whereas newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

b) Principles of Consolidation

- (i) The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of each of the subsidiaries, joint ventures and associates used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March 2023 except for the financial statements of ATSL Nigeria, Gammon Italy s.r.l., Finest Spa and whose financial statements were prepared for the period ended December 31, 2016.
- (ii) Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.
- (iii) Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.
- (iv) "Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.
 - Joint operations: The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.
 - Joint ventures Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

ii) The following entities are considered in the Consolidated Financial Statements:

Sr no.	Name of Entity	Nature of Relationship	March 2023		March 2022	
			Ownership Interest	Effective Interest	Ownership Interest	Effective Interest
1	Gammon India Limited	Parent	-	-	-	-
2	ATSL Infrastructure Projects Limited	Subsidiary	51.00%	61.09%	51.00%	61.09%
3	Gactel Turnkey Projects Limited. ('GACTEL')	Subsidiary	100.00%	100.00%	100.00%	100.00%
4	Gammon International FZE ('GIFZE')	Subsidiary	100.00%	100.00%	100.00%	100.00%
5	P.Van EerdBeheersmaatschappaji B.V. Netherlands ('PVAN')	Subsidiary	100.00%	100.00%	100.00%	100.00%
6	Deepmala Infrastructure Private Limited ('DIPL')	Subsidiary	51.00%	70.52%	51.00%	70.52%
7	Gammon Retail Infrastructure Private Limited ('GRIPL')	Subsidiary	99.00%	99.00%	99.00%	99.00%
8	Gammon Power Limited. ('GPL')	Subsidiary	90.00%	100.00%	90.00%	100.00%
9	ATSL Holding B.V. Netherlands	Subsidiary	100.00%	100.00%	100.00%	100.00%
10	Associated Transrail Structures Limited., Nigeria	Subsidiary	100.00%	100.00%	100.00%	100.00%
11	Gammon Realty Limited. ('GRL')	Subsidiary	75.06%	75.06%	75.06%	75.06%
12	Gammon Holdings B.V., Netherlands('GHBV')	Subsidiary	100.00%	100.00%	100.00%	100.00%
13	Gammon Italy S.r.L	Subsidiary	100.00%	100.00%	100.00%	100.00%



Sr no.	Name of Entity	Nature of Relationship	March 2023		March 2022	
			Ownership Interest	Effective Interest	Ownership Interest	Effective Interest
14	Gammon International B.V., Netherlands('GIBV')	Subsidiary	100.00%	100.00%	100.00%	100.00%
15	Metropolitan Infrahousing Private Limited ('MIPL')	Subsidiary	84.16%	84.16%	84.16%	84.16%
16	Gammon Transmission Limited('GTL')	Subsidiary	100.00%	100.00%	100.00%	100.00%
17	Gammon Real Estate Developers Private Limited (GRDL)	Subsidiary	100.00%	100.00%	100.00%	100.00%
18	Ansaldoaldaie Boilers India Private Limited ('ACB')	Subsidiary	73.40%	85.37%	73.40%	85.37%
19	Gammon Holdings (Mauritius) Limited ('GHM')	Subsidiary	100.00%	100.00%	100.00%	100.00%
20	Patna Water Supply Distribution Network Private Limited ('PWS')	Subsidiary	73.99%	73.99%	73.99%	73.99%
21	GIPL - GIL JV	Joint Venture	5.00%	41.61%	5.00%	41.61%
22	Gammon – OjscMosmetrostroy – JV('GOM')	Joint Venture	51.00%	51.00%	51.00%	51.00%
23	Ansaldoaldaie-GB Engineering Private Limited. ('ACGB')	Joint Venture	50.00%	36.70%	50.00%	36.70%
24	Gammon SEW('GSEW')	Joint Venture	90.00%	90.00%	90.00%	90.00%
25	Campo Puma Oriente S.A.	Subsidiary	73.76%	66.39%	73.76%	66.39%
26	Sofinter SPA	Subsidiary	67.50%	67.50%	67.50%	67.50%
27	AJR Infra and Tolling Limited.	Associate	20.60%	20.60%	20.60%	20.60%

iii) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

iv) Summary of other significant accounting policies

a) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

b) Current and non-current classification

"The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or

- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

c) Revenue Recognition

i. Revenue from Construction Services:

Construction Activity

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced and as per the terms of the contract, the Company has an enforceable right to payment for performance completed till date. Hence the Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time. The Company recognises revenue at the transaction price which is determined on the basis of agreement entered into with the customer. The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

Awards & Claims

- The awards are recognised as revenue as soon as the Company receives an award determining the quantum of award pursuant to arbitration or other conciliation process
- The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

Measurement of performance obligation

The Company uses cost based input method for measuring progress for performance obligation satisfied over time. Under this method, the Company recognises revenue in proportion to the actual project cost incurred as against the total estimated project cost. The management reviews and revises its measure of progress periodically and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

Contract costs

Costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Provision for future losses

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.



GAMMON INDIA LIMITED

Contract balances

a. Contract assets

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets as stated in notes to financial statement.

b. Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

c. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received advance payments from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the consideration received.

Turnover

Turnover represents work certified up to and after taking into consideration the actual cost incurred and the profit evaluated by adopting the percentage of work completion method of accounting.

ii. Interest Income

Interest income for all financial instruments classified under the amortized cost category is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

iii. Dividend Income

Dividend income is accounted when the right to receive the same is established, which is generally when shareholders approve the dividend.

iv. Lease income:

Lease agreements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

v. Income from insurance claim

Insurance claims are recognised only when there is reasonable certainty of receiving the claim.

d) Joint Ventures

- Joint Venture Contracts under Consortium are accounted as independent contracts to the extent of work completion.
- In Joint Venture Contracts under Profit Sharing Arrangement, services rendered to Joint Ventures are accounted as income on accrual basis, profit or loss is accounted as and when determined by the Joint Venture and net investment in Joint Venture is reflected as investments or loans & advances or current liabilities.

e) Employee benefits

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/ period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

Termination benefits are recognized as an expense in the period in which they are incurred.

f) Property, plant and equipment and depreciation/amortization

- Property, plant and equipment are stated at cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. up to the date the asset is ready for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.
- Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.
- Borrowing costs on Property, Plant and Equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.
- Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.
- An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.
- The residual values and useful lives of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.
- Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013 or as determined by the Independent Valuer as the case maybe. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition / deletion.

g) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the



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contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

h) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

i) Service concession arrangements

The Group recognises an intangible asset arising from a service concession arrangement to the extent it has aright to charge for use of the concession infrastructure.

The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortisations and accumulated impairment losses.

j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

k) Impairment of Non-financial Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is higher of an asset's fair value less cost to sell.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there is separately identifiable cash flows (cash-generating units).

l) Equity investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks, which are short-term, highly liquid investments, that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

n) Inventories

Raw materials are valued at cost, net of Goods and Service Tax, wherever applicable.

Stores and spares, loose tools are valued at cost except unserviceable and obsolete items that are valued at estimated realisable value thereof. Costs are determined on Weighted Average method

Material at Construction Site and Stores & Spares are valued at lower of cost and net realisable value. Costs are determined on Weighted Average Method.

Work In Progress on construction contracts are carried at lower of assessed value of work done less bill certified and net realisable value.

Work In Progress – Real Estate reflects value of land, material inputs and project expenses.

Bought Out and Stock in Transit are valued at lower of cost and Net realisable value.

Other -Scrap Material are valued at realisable value.

Finished Unsold Properties - Unsold finished properties are valued at lower of cost (which includes all direct and indirect costs of construction of the properties including land, materials, labour and other construction overhead) and net realizable value.

o) Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the



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closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.

Non-monetary items, which are carried at historical cost denominated in a foreign currency, are reported using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference.

The exchange gain or loss on conversion of the financial statements for the purposes of consolidation are carried in other comprehensive income to be reclassified into statement of profit and loss on disposal.

p) Taxes on income

Current Income Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability settled, based on the tax rates (tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of major components of deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

MAT Credit

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of profit and loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

q) Earnings per share

Earnings per share are calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r) Provisions, Contingent Liabilities and Contingent Assets**Provisions**

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates. Long term provisions are fair valued to the net present value and the same are increased each year by providing for the finance portion at the EIR of the respective company.

Contingent liabilities and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised whichever is less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

s) Employee Share – based payment plans ('ESOP')

The Company accounts for the benefits of Employee share based payment plan in accordance with IND AS 102 "Share Based Payments" except for the ESOP granted before the transition date which are accounted as per the previous GAAP as provided in IND AS 101 first time adoption.

t) Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



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For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

u) Financial instruments

Financial assets

I. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

II. Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at Fair Value through Other Comprehensive Income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

III. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

IV. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the Financial Assets measured at amortized cost.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

I. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

II. Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.



Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

III. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

IV. Derivative financial instruments

The Company enters into derivative contracts to hedge foreign currency price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

v) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

w) Trade Payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

2 Property Plant and Equipment and Intangible asset

A) Tangible Assets

(₹ in Crore)

Particulars	Freehold Land	Leasehold Land	Freehold Property	Plant & Machinery	Motor Vehicles	Office Equipment	Furniture & Fixtures	Total
GROSS BLOCK								
As at 31st March 2021	393.14	0.00	41.71	92.65	1.95	1.58	1.40	532.43
Additions	-	-	-	-	-	0.01	-	0.01
Disposals/Adjustments				(13.04)	(0.07)	-	-	(13.11)
As at 31st March 2022	393.14	0.00	41.71	79.61	1.88	1.59	1.40	519.32
Additions								-
Disposals/Adjustments				(29.58)	(0.10)			(29.68)
As at 31st March 2023	393.14	0.00	41.71	50.22	1.78	1.59	1.40	489.64
DEPRECIATION								
As at 31st March 2021	-	-	32.21	76.89	1.85	1.53	1.36	113.84
Charge for the Year			0.83	2.85	0.00	0.01	0.01	3.70
Disposals/Adjustments			-	(10.70)	(0.07)	-	-	(10.77)
As at 31st March 2022	-	-	33.04	69.04	1.78	1.54	1.36	106.77
Charge for the Year			0.83	1.38	0.00	0.01	0.00	2.22
Disposals/Adjustments			-	(24.76)	(0.10)	-	-	(24.85)
As at 31st March 2023	-	-	33.66	45.58	1.69	1.55	1.37	84.13
NET BLOCK								
As at 31st March 2022	393.14	0.00	8.67	10.57	0.10	0.05	0.03	412.55
As at 31st March 2023	393.14	0.00	8.05	4.65	0.09	0.04	0.02	405.51

3 Goodwill/ Capital Reserves on Consolidation

Particulars	March 31, 2023		March 31, 2022	
Goodwill on Consolidation	680.55		680.55	
Less: Goodwill / Capital Reserve of divested subsidiaries	(87.11)	593.44	(87.11)	593.44
Less Provision for Impairment of Goodwill		(597.40)		(597.40)
Total		(3.96)		(3.96)
Provision for Impairment of Goodwill Consists of:-				
Goodwill of acquisition of-				
Metropolitan Infrahousing Private Limited		597.29		597.29
Gactel Trunkey Project Limited		0.00		0.00
Deepmala infrastructure Private Limited		0.01		0.01
Pvan Eerd Beheersmaatschappij BV		0.09		0.09
Total		597.40		597.40

The balance of ₹ 3.96 represents Capital Reserve on consolidation of one of the subsidiaries which has been grouped under SOCIE.

4 Financial Assets

A	Investment valued at Cost, fully paid (Net of Provisions)	Non- Current		Current	
	Investment in Equity shares				
	(Accounted under Equity method)				
1	In Associate in India	-	-	-	-
2	In Associate Outside India	-	-	-	-
3	In Joint Venture in India	-	-	-	-
4	In Joint Venture Outside India	(100.55)	(101.12)	-	-
5	In Others in India	0.01	(0.02)	-	-
6	In Others Outside India	-	-	-	-



		Non- Current		Current	
B	Investment in Equity shares Carried at Fair value through OCI, fully paid up				
1	Entity Outside India (Refer Note B (i) and (ii))	126.38	671.46		
2	Entity in India	7.31	7.31	-	-
C	Investment in Government Securities	0.55	0.55	-	-
D	Investment in Partnership	-	-	-	-
E	Other Investments (At Fair value through P&L)				
1	Equity Shares	-	-	0.04	0.04
2	Liquid Mutual Funds	-	-	0.00	0.00
	Total	33.70	578.19	0.04	0.04
	Disclosure:				
1	Investment carried at Cost	(100.00)	(100.58)		
2	Investment carried at FVTOCI	133.69	678.77		
3	Investment carried at FVTPL	-	-	0.04	0.04
	Total	33.70	578.19	0.04	0.04

I Details of Investments

Non Current Investments

Particulars		March 31, 2023		March 31, 2022	
		Nos	Amount	Nos	Amount
A Investment in Equity shares as per equity method (Fully paid-up unless otherwise stated)					
1 In Associate in India					
Gammon Infrastructure Projects Limited		19,39,99,800	20.99	19,39,99,800	20.99
			20.99		20.99
Less: Provision					
Gammon Infrastructure Projects Limited			(20.99)		(20.99)
Total			-		-
2 In Associate Outside India					
Finest S.p.A, Italy	EUR 1	7,80,000	20.60	7,80,000	20.60
Sadelmi SpA			58.32		58.32
Less: Provision					
Finest S.p.A, Italy			(20.60)		(20.60)
Sadelmi SpA			(58.32)		(58.32)
Total			-		-
3 In Joint Venture in India					
Ansaldo GB-Engineering Pvt Ltd		2,00,00,000	13.28	2,00,00,000	13.28
Less: Provision					
Ansaldo GB-Engineering Pvt Ltd			(13.28)		(13.28)
Total			-		-
4 In Joint Venture Outside India					
Campo Puma Oriente S.A.*	USD 1	6,441	(100.55)	6,441	(101.12)
Total			(100.55)		(101.12)

* The above share in joint venture is net of advance of Rs.177.11 Cr made by the Company to the joint venture.

(a) M/s Campo Puma Oriente S.A. (CPO):

The accounts of a subsidiary M/s Campo Puma Oriente S.A. have not been audited since December 2012, due to certain disputes with the partner in the project. Furthermore, IDBI Bank Dubai, invoked the Stand by letter of credit provided by IDBI Mumbai in the month of October 2016. The company had received a valuation report for \$ 60 Million approximately from an independent merchant banker for its share more than 3 years ago, which the management believes is still valid. The Company has already made a provision of Rs 230.41 crores against its exposure.

Under the previous IGAAP, CPO was being accounted as a subsidiary with the partner's share being accounted as minority interest. Under the IndAs, since the said Campo Puma is a jointly controlled entity, the same is accounted under equity method from the transition date.

For the purpose of local regulatory requirements the said Campo has effected changes in the financials for the year ended December 31, 2015 since it submitted unaudited number for the purpose of consolidation. The adjustments made were primarily write back of partner balances to recoup the losses in the Joint venture in the earlier years. The Management of Gammon India Limited, for the purpose of preparing financials for the purposes of consolidation have not considered such adjustments as the losses have been accounted in consolidated financial statement from the joint venture.

The partner in the Joint Venture has filed a suit against the Company in the Court of Oklahoma, USA, inter-alia, for purportedly failing to fund its share of cash calls amounting to \$4.4m, due to which it has overpaid its share and is claiming reimbursement. The Company has contested this claim and furthermore has issued a Notice of Breach against the partner and the claims and counterclaims will finally be settled through a combination of court process and arbitration. The hearings are expected to commence in due course on completion of both parties respective responses. The financial statements of CPO S.A. will therefore be signed and released only after the cases are resolved.

The Statutory Auditors have continued to qualify their report since the financial statements are unaudited. The management however believes that there will not be material differences between the financials considered and the financial pursuant to the audit being completed of the said CPO.

5 Financial Assets - Trade Receivables

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Trade Receivables : (At amortised cost) (Unsecured, considered good unless otherwise stated)				
Considered good	370.97	31.10	220.79	55.45
Considered Doubtful	3.22	216.64	21.51	216.64
Provision for Doubtful debts	(3.22)	(216.64)	(21.51)	(216.64)
	370.97	31.10	220.79	55.45
Less: Expected credit loss	(1.08)	(0.05)	(0.70)	(0.08)
Total	369.89	31.05	220.09	55.37

A Holding company**(a) In respect of the projects undertaken by the Company:**

- (i) The Company in evaluating its jobs has considered an amount of Rs. 7.56 Crore relating to the likelihood of the claim materializing in favour of the Company, arising out of claims for work done, cost overruns arising due to client delays, changes of scope, escalation claims, variation orders, deviation in design and other charges recoverable from the client which are pending acceptance or certification by the client or referred the matter to the dispute resolution board / arbitration panel.
- (ii) In furtherance to the recommendation of the Dispute Resolution Board (DRB) and Arbitration Awards in the Company's favour, the Company has recognized income to the extent of Rs.291.42 Crore in the previous years, which is part of Long Term Trade Receivable. The Company contends that such awards have reached finality for the determination of the amounts of such claims and are reasonably confident of recovery of such claims although the client has moved the court to set aside the awards. Considering the fact that the Company has received favorable awards from the DRB and the Arbitration Tribunal, the management is reasonably certain that the claims will get favorable verdict from the courts.
- (iii) There are disputes in Four projects of the Company. The total exposure against these projects is ₹ 97.95 Crore consisting of receivable of ₹ 60.70 crores, inventory ₹ 43.96 crore and other payable ₹ 6.71 crores. The Company is pursuing legal recourse / negotiations for settling the disputes in favour of the Company and is of the opinion that it has a good case in the matter hence does not require any provision considering the claims of the Company against the Clients.



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- (iv) The Company has receivable including retention ₹ 23.32 crores in various jobs relating to the Real Estate Projects due to the problems faced by the Real Estate Sector. The management is confident of ultimate recovery considering its contractual position and therefore no adjustments are required to be made in respect of such contracts.

(b) Expected Credit Loss

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. The Company estimates the following matrix at the reporting date which is calculated on overdue amounts.

Since the Company Calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

B Subsidiary, Associates and Joint Venture:

ACBI

The Company has completed substantial portion of Contract value which was to be executed. However, there is still balance outstanding of Rs 9.32 Cr as at March 31, 2023. The Company is confident of recovering the aforesaid receivables from the Client which is backed by Corporate Guarantee given by the Client. Pending recovery, the Company has initiated legal proceedings in the form of initial demand notice as a pre cursor to NCLT proceedings. The NCLT proceedings could not be further acted upon on account of lockdown and deferment of proceedings on account of lockdown.

C Movement in the expected credit loss allowance

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Balance at the beginning of the period	0.70	0.08	1.19	0.06
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	0.38	(0.03)	(0.99)	0.22
Provision at the end of the period	1.08	0.05	0.70	0.08

D Trade Receivable Ageing Schedule

(Ageing from Bill Date)

As at March 31, 2023

Range of O/s period	Undisputed			Disputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-	-	-	-
Not Due	-	-	-	-	-	-	-
less than 6 months	5.52	-	-	141.37	-	-	146.89
6 months - 1 year	1.14	-	-	-	-	-	1.14
1-2 year	0.07	-	-	-	-	-	0.07
2-3 year	0.03	-	-	0.10	-	-	0.13
> 3 years	6.15	-	194.38	247.70	-	25.47	473.70
Total	12.91	-	194.38	389.17	-	25.47	621.93

As at March 31, 2022

	Undisputed			Disputed			
Range of O/s period	Considered Good	Significant increase in credit risk	credit impaired	Considered Good	Significant increase in credit risk	credit impaired	Total
Unbilled	-	-	-	-	-	-	-
Not Due	0.28	-	-	-	-	-	0.28
less than 6 months	7.80	-	-	-	-	-	7.80
6 months - 1 year	0.41	-	-	-	-	-	0.41
1-2 year	0.80	-	-	1.94	-	-	2.74
2-3 year	0.71	-	-	3.17	-	-	3.88
> 3 years	9.06	-	212.67	252.06	-	25.47	499.27
Total	19.06	-	212.67	257.17	-	25.47	514.38

6 Financial Assets: Loans (unsecured at amortised cost)

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Loans and Advances to Related Parties :				
Considered Good	1.00	0.00	1.00	-
Considered Doubtful	398.97	0.52	392.38	0.52
Provision for Doubtful Loans	(398.97)	(0.52)	(392.38)	(0.52)
Other Loans and Advances				
Considered Good	88.74	8.37	88.66	62.62
Considered Doubtful	44.45	61.76	44.45	7.68
Provision for Doubtful Loans	(44.45)	(61.76)	(44.45)	(7.68)
Total	89.74	8.37	89.66	62.62

(i) Disclosure of amounts outstanding at period end as per Schedule V of Listing Obligations and Disclosure Requirements 2015

	'March 31, 2023	'March 31, 2022
Details of Related parties : Non Current	Amount	Amount
Considered good:		
RAS Cities and Township Private Limited	1.00	1.00
Total	1.00	1.00
Considered doubtful:		
Franco Tosi Meccanica SPA	119.01	112.44
Hareda Projects Limited	0.07	0.05
SAE Power lines srl	48.96	48.96
Campo Puma Oriente S.A.	230.41	230.41
Finest S.p.A	0.52	0.52
Total	398.97	392.38

	'March 31, 2023	'March 31, 2022
Details of Related parties : Current	Amount	Amount
Considered Doubtful:		
SAE Transmission India Limited	0.11	0.11
Preeti Township Pvt Ltd	0.01	0.01
Rajahmundry Godavari Bridge Limited	0.35	0.35
Tidong Hydro Power Limited	0.02	0.02
Transrail Lighting Limited	0.02	0.02
Total	0.51	0.51



(ii) Investment by the loanee in the shares of the Company

None of the loanees have, per se, made investments in the shares of the company

(iii) The balances of the project advances are subject to confirmation and consequent reconciliation, if any.

(iv) Loans and Advances to Promoters, Directors, KMP's and Related Parties.

Loans or Advances in the nature of loans granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are without specifying any terms or period of repayment :

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Outstanding Loan	% to (A)	Outstanding Loan	% to (A)
Promoters		-		-
Directors		-		-
KMPs		-		-
Related Parties	400.49	66.33	393.90	65.94
Total Loans and Advances to Promoter, Director, KMP and Related parties	400.49		393.90	
Total Loans and Advances in the nature of Loan and Advances (A)	603.81		597.31	

7 Other Financial Assets (at amortised cost)

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Interest Accrued Receivable:				
Considered Good	1.56	0.52	1.56	0.56
Considered Doubtful	24.03	-	24.03	-
Less : Provision for Doubtful Interest	(24.03)	-	(24.03)	-
Other Receivable	-	4.77	-	5.74
Excess Managerial Remuneration Receivable	-	24.53	-	24.53
Deposits				
Considered Good	3.13	5.77	3.01	3.37
Considered Doubtful	3.00	3.60	3.00	3.60
Provision for Doubtful deposits	(3.00)	(3.60)	(3.00)	(3.60)
Total	4.69	35.59	4.57	34.19

(i) Excess Managerial Remuneration Receivable :

Pursuant to the rejection of the waiver of recovery of managerial remuneration by the Members in General Meeting, the Company has reversed the managerial remuneration of the Chairman and erstwhile Managing Director and another erstwhile Executive Director aggregating to ₹ 31.13 crore and has shown the net recoverable amount (after reversal of unpaid salary) of ₹ 24.53 crores as excess managerial remuneration receivable.

8 Deferred Tax (Liabilities) / Assets (Net)

Particulars	March 31, 2023		March 31, 2022	
Deferred Tax Liability:				
Property, Plant and Equipment	86.91		84.51	
Non Current Investments- Fair Value changes	5.72	92.63	19.84	104.35
Net Deferred tax Liability		92.63		104.35
Deferred Tax Asset:				
Property, Plant and Equipment	0.13		0.15	
Tax Disallowances	0.03		0.03	
Net Deferred tax Assets		0.16		0.18

9 Other Assets

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current	Non Current	Current
Capital Advances	15.00	-	15.00	-
Contract Assets (Refer note below)	722.36	54.61	805.36	77.42
Less : Provision for credit loss	(2.88)	(0.16)	(2.87)	(0.16)
Prepaid Expenses	-	0.21	-	0.26
Advance to Creditors/Subcontractors				
Unsecured Considered goods	9.70	15.99	9.70	21.35
Staff Advances	-	0.20	-	0.24
Balance with Tax Authority	4.32	12.59	10.90	14.68
Other assets	-	2.14	-	2.14
Advance Tax Net of Provision	405.17	-	404.34	-
Others (Refer note c below)	-	33.89	-	33.74
Less: Provision		-33.80		-
Total	1,153.67	85.67	1,242.41	149.67

a) Unbilled Revenue:

The Holding Company had evaluated its claims in respect of on-going, completed and/or terminated contracts in the earlier periods which amounts to Rs. 151.39 crore as at March 31, 2023 with the help of an independent expert in the field of claims and arbitration who had assessed the likely amount of claims being settled in favour of the Company. The management contends that there is no change in position during the year and the same are due to them and they have a very good chance of realisation.

b) The Holding Company has received an award in respect of its joint venture relating the Chennai Metro Rail project (CMRL). Company has recently filed appeal against certain items of the award. In spite of the appeal filed, company estimates total recoverability of Rs 532.00 Cr out of the award. Amount of Rs 225.79 Cr which is in excess of the estimated recoverable award is written off and included in other expense for the quarter and year ended March 31, 2022. This includes an amount of Rs 123.08 Cr which is subject matter of appeal being the claim of the Company, which is not accepted, for which the Company is of the opinion that it has a strong case. The aforesaid award is received in the name of the JV but the company has accounted for the entire share to its accounts.

c) In one of the subsidiary (DIPL) the Housing Board of Madhya Pradesh has encashed Performance Bank Guarantee of Rs. 33.80 crore in March, 2019. The Company is in negotiation with MP Housing Board for the release of BG. However, company has on a prudent basis provided Rs 33.80 Crore.

10 Inventories

Particulars	March 31, 2023	March 31, 2022
Raw Material	3.26	1.88
Material at Construction Site	13.34	13.24
Stores and Spares	0.05	0.05
Work In Progress:		
Real Estate- Work In Progress	398.45	725.06
Completed Shops	87.90	133.89
Total	503.00	874.12

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 includes consumption of Stores also is as follows:

Particulars	March 31, 2023	March 31, 2022
Amount of inventories recognised as an expense	30.25	11.80
Amount of write - down of inventories recognised as an expense	277.71	-

**a) Movement of Property Development account (Real Estate Work in Progress)**

Particulars	March 31, 2023		March 31, 2022	
	Balance at the beginning of the year		725.06	
Add : expenses incurred during the year and directly charged to the project				
Finance Costs	1.35			
Other Expenses	3.59	4.94	0.01	0.01
Less : Impairment of land value	(309.04)		-	
Less : Write off of Contract Assets	(21.95)		-	
Less : Cost of Shops/Flats Sold	(0.57)		-	
Less : Cost of Unsold Completed Units Inventory - Shops	-	(331.55)	-	
Closing Balance		398.45		725.06

b) Project Development (Real estate WIP) includes expenses incurred under the following broad heads

Particulars	March 31, 2023	March 31, 2022
Cost of Leasehold Land	343.56	343.56
Cost of Freehold land	777.78	777.78
Land Development Expenses	506.51	506.51
Finance Cost	979.03	977.68
Other Expenses	42.64	39.05
Less : Cost of Shops Sold	(159.55)	(158.98)
Less : Cost of Unsold Completed Units Inventory - Shops	(514.86)	(514.86)
Less : Cost of Land Sold	(977.16)	(977.16)
Less : Impairment of land value	(568.65)	(259.61)
Less : Write off of Realestate Inventory	(21.95)	-
Less : Reduction due to sale of Subsidiary	(8.92)	(8.92)
Total	398.45	725.06

c) Metro

Balance Land called "PART-B LAND" of 45 acres is valued as per the valuation report issued by Joint Sub Registrar, Kalyan.

d) DIPL

The Company has obtained a valuation report in March 2023 for realisability from its real estate project which is valued at Rs 450 cr. The carrying value of inventory in the books of the Company is suitably written down.

e) ACBI

Materials and consumables amounting to Rs.118.83 Lacs as at March 31, 2023 are in the custody of the lenders of GB Engineering Enterprises Pvt. Ltd. There is no confirmation available from the lenders of GB Engineering that they are in custody of inventories belonging to the Company.

f) PWS

The Company is not having accessibility to the Inventories since all the materials and consumables as at March 31, 2023 and the same are in the custody of the Client with whom the Company is under arbitration. Also there is no confirmation available from the Client that they are having the custody of the Companies Material.

g) GIL

Inventory amounting to Rs 3.63 Crore (PY Rs.3.63 Crores) are lying at terminated sites are under dispute, access to this terminated sites is restricted to the company.

11 Cash and Bank Balance

Particulars	March 31, 2023	March 31, 2022
Cash and cash equivalents		
Cash on Hand	0.01	0.01
Balances with Bank	2.29	1.55
Total	2.30	1.56
Other Bank Balances		
Unpaid dividend**	0.58	0.58
Balances with Bank*	0.98	9.68
Bank deposits (on margin account)	2.70	3.97
Total	4.26	14.23

* The above balance is restricted and not freely available to the company without approval of the lenders.

* Out of above balance of Rs. 0.22 Crores is unconfirmed

** Bank Statement or confirmation for unpaid dividend bank account are not available.

** Rs. 0.58 Crores (PY Rs. 0.58 Crores) lying in unpaid dividend bank account are pending to be transferred to Investors Education and Protection Fund. The amount of unpaid dividend is pertaining to 725,800 equity shares which are held in abeyance. The Company as a matter of abundant precaution also declared dividend on these shares whose allotment was held in abeyance. The accumulated dividend on these shares is being kept in a separate bank account. The said dividend is unclaimed and unpaid as it pertains to shares whose allotment itself is held in "abeyance".

(a) Other Bank Balances

Other bank balances represents balances in foreign branches relating to certain foreign projects which are not readily available for use by the Company and are subject to exchange control regulation of the respective countries. The balance as on March 31, 2023 is Nil, (net of provisions of ₹ 2.00 Crore in view of the above), however the Company has provided the entire amount of bank balances in foreign countries on prudent basis.

12 Equity Share Capital

(a) Authorised, Issued, Subscribed and Fully Paid up :

Particulars	March 31, 2023		March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Authorised Capital :				
Equity Shares of ₹2/- each	74,71,00,00,000	14,942.00	74,71,00,00,000	14,942.00
6% Optionally Convertible Preference Shares of ₹350/- each	30,00,000	105.00	30,00,000	105.00
Issued, Subscribed and Fully Paid up Capital :				
Issued Capital				
Equity Shares of ₹2/- each, fully paid	37,04,27,845	74.09	37,04,27,845	74.09
Subscribed and Fully Paid up Capital				
Equity Shares of ₹2/- each, fully paid	36,88,47,305	73.77	36,88,47,305	73.77
Share Forfeiture Account				
Money received in respect of Right shares of ₹10/- each forfeited	1,70,948	0.34	1,70,948	0.34
Total		74.11		74.11

i) Issued share capital includes 7,25,800 shares kept in abeyance

ii) Share Forfeiture Account includes ₹0.26 Crore of Share Premium collected on application in respect of forfeited shares.


(b) Reconciliation of Number of Shares Outstanding

Particulars	March 31, 2023		March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
As at the beginning of the year	36,88,47,305	73.77	36,88,47,305	73.77
Add: Issued during the year	-	-	-	-
As at the end of the year	36,88,47,305	73.77	36,88,47,305	73.77

In the year 2015-16 and 2016-17 pursuant to the invocation to SDR scheme, the bankers have converted an amount of ₹ 4.90 Crore being principal and interest outstanding in to Equity and have been allotted 41,24,496 Equity Shares of ₹ 2 each at a premium of ₹ 9.89 per equity share during the said period representing 1.12% of the Equity Capital.

(c) Details of Shareholding in Excess of 5%

Name of Shareholder	March 31, 2023		March 31, 2022	
	No of Shares	%	No of Shares	%
Canara Bank	7,55,11,277	20.43	7,55,11,277	20.43
Punjab National Bank	4,29,60,599	11.62	4,29,60,599	11.62
ICICI Bank Ltd	3,92,72,129	10.63	3,92,72,129	10.63
Bank Of Baroda	2,21,04,507	5.98	2,21,04,507	5.98
Indian Bank	1,99,74,706	5.40	1,99,74,706	5.40

(d) Terms / rights attached to equity shares

The Company has only one class of Equity Shares having a par value of ₹2/- each. Each holder of Equity Share is entitled to one vote per share. The distribution will be in proportion to the number of Equity Shares held by the shareholder.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(e) Details of Shareholdings by the Promoter/Promoter group

Name of the Promoter	No of Shares		No of Shares		% change during the year
	March 31, 2023		March 31, 2022		
	No of Shares	% of total shares	No of Shares	% of total shares	
Abhijit Rajan	81,72,459	2.22%	81,72,459	2.22%	-
Jagdish Rajan	17,020	0.00%	17,020	0.00%	-
Pacific Energy Pvt Ltd	1,79,13,015	4.86%	1,79,13,015	4.86%	-
Devyani Estate And Properties Pvt Ltd	71,82,805	1.95%	71,82,805	1.95%	-
Nikhita Estate Developers Pvt Ltd	34,85,420	0.94%	34,85,420	0.94%	-
Ellora Organic Industries Pvt Ltd	28,00,000	0.76%	28,00,000	0.76%	-
Masayor Enterprises Limited	30,86,435	0.84%	30,86,435	0.84%	-
Total	4,26,57,154	11.56%	4,26,57,154	11.56%	0.00%
Total No of Shares issued and Subscribed		36,88,47,305		36,88,47,305	

13 Other Equity

Particulars	March 31, 2023	March 31, 2022
Capital Redemption Reserve	105.00	105.00
Capital Reserve	15.49	15.49
Securities Premium Account	1,262.20	1,262.20
Debenture Redemption Reserves	96.45	81.00
General Reserve	363.06	363.06
Retained earnings	(9,205.44)	(8,263.50)
Perpetual Promoter Contribution	100.00	100.00
Treasury Shares	(1.69)	(1.69)
<u>Other Comprehensive Income:</u>		
Foreign Currency Translation Reserve	(233.10)	(186.26)
Net gain/ (loss) on fair value of equity instruments	(743.92)	(45.92)
TOTAL	(8,241.95)	(6,570.62)

14 Non-controlling interests

Particulars	March 31, 2023		March 31, 2022	
Balance, beginning of the period		(146.46)		(133.83)
Share of NCI in profits/(losses) for the current period	29.31		(12.63)	
(Decrease) in minority's share on account of subsidiaries divested	-	29.31	-	(12.63)
Total		(117.15)		(146.46)

15 Non Current Financial Liabilities - Borrowings

Particulars	March 31, 2023		March 31, 2022	
	Non Current	Current Maturities	Non Current	Current Maturities
Non Convertible Debentures	103.00	-	-	-
Total	103.00	-	-	-

A One of the subsidiary company, DIPL was classified as Non-Performing Asset (NPA) by Axis Bank in 2018 as Company was not able to service the repayments including the interest of the financial facility it had availed from Axis Bank. The subsidiary Company in consultation with Axis Bank and security trustees had made several efforts to restructure the debt through its existing shareholder(s) including but not limited to restructuring involving change in management of the subsidiary Company. Subsequently, Axis Bank approved an One-time Settlement (OTS) proposal received from identified financial investor in terms of the re-structuring framework prescribed by RBI. Accordingly, a tripartite agreement was entered between the subsidiary Company, its majority shareholder and the Financial Investor resulting in Change in Management of the subsidiary Company documenting various terms and conditions of the OTS.

The OTS was accepted by the Lender for a settlement amount of INR 200 crores as on 24th Jan 2023 whereby the agreed OTS amount was required to be paid in installments as agreed with the Lenders. Further, following terms and conditions were agreed as part of OTS accepted by the Lender:

- No claim against each other in respect of the financial facilities availed by the subsidiary Company from the Lender would survive upon full payment of INR 200 crores.
- Lender shall issue the 'No Dues' Certificate and release all charges and liens over secured assets and title documents in favour of the borrower. Lender shall satisfy the charges with Cersai/ROC/Sub-Registrar.
- Lender shall withdraw all litigations/cases, if any, filed by it against the borrower Company.
- Lender shall write off balances in principal and Interest amount.
- Major Shareholder, its subsidiaries and, associates shall write-off all outstanding amounts payable by the subsidiary Company simultaneously and shall waive off all claims in respect of such amounts due to shareholder and its affiliates.

In accordance with the terms of OTS agreed by the Lender, the subsidiary Company has agreed to issue secured non-convertible Debentures (NCD) having face value of INR 10 each upto an extent of aggregate amount of INR 160 crores through private placement to the Financial Investor. The terms and conditions of the secured NCDs are documented vide Debenture Trust Deed executed on 31st March 2023.

The terms of secured NCDs are summarised as under:

- NCDs shall carry interest 12% per annum.
- NCD shall be carry redemption premium of 15% per annum to be compounded quarterly payable on redemption
- NCD's will be unlisted and secured by first charge on 100% of total plot of land admeasuring 14.88 acres situated at South TT nagar in Bhopal (M.P) & construction thereon and exclusive first charge by way of hypothecation on all the current assets including receivables and all bank accounts. This charge shall not include properties sold hitherto upon release of the security and title by Axis Bank.
- The NCD's are transferable

B Classification of all credit facilities under Current Financial Liabilities - Refer Note 20**(a) Holding Company:**

The facilities from the lenders have become Non Performing Assets in the month June'17. The Lenders have recalled all the loans and therefore all the long term loan facilities of ₹ 2,643.01 crores (P.Y ₹ 2,645.45 crores) are classified as current and disclosed under Current Liabilities together with the disclosure.



GAMMON INDIA LIMITED

On account of the above, a number of lenders have not shared their confirmations as at the year ended March 31, 2023 and to that extent the balances are unconfirmed.

(b) The Bankers have given effect to the Novation Agreement in the second fortnight of May 2017.

(c) **GTPL**

(i) The Term Loan for GACTEL is Secured by Hypothecation of Current Assets and Fixed Assets and negative Lien on 75% of land at Bhopal and construction thereon standing in the name of Deepmala Infrastructure Private Limited. - Fellow Subsidiary and Corporate Guarantee of Gammon India Limited, the Holding Company.

Base Rate+ 1.75% p.a. in first year and Base Rate+ 2.75% p.a. from 2nd year onwards.

Axis Bank has assigned the entire outstanding of Term Loan to CFM Asset Reconstruction Pvt. Ltd as per intimation letter no CFM-ARC/2022-22/Intimation letter/238 dated 6th October 2022

(ii) **Interest on Term Loans -**

Base Rate+ 1.75% p.a. in first year and Base Rate+ 2.75% p.a. from 2nd year onwards

(d) **Pledge of Shares**

The equity shares held by the Company and / or GIL in a Subsidiary and /or Joint Venture Company of the Group are pledged with respective lenders or consortium of lenders for the individual secured loan availed by the said Subsidiary and / or Joint Venture Company from their respective lenders or consortium of lenders.

Company Name	Rate	Number of Equity Shares Pledged	
		As At 31st Mar 2023	As At 31st Mar 2022
Gammon Holdings B.V., Netherlands ('GHBV')	€ 100	180	180
Gammon International B.V., Netherlands ('GIBV')	€ 100	180	180
P.Van Eerd Beheersmaatschappaji B.V., Netherlands ('PVAN')	€ 454	35	35
ATSL Holding B.V., Netherlands	€ 100	180	180
GACTEL Turnkey Projects Limited. ('GACTEL')	₹ 10/-	50,49,940	50,49,940
Deepmala Infrastructure Private Limited ('DIPL')	₹ 10/-	5,100	5,100
Transrail Lighting Limited. ('TLL')	₹ 10/-	77,954	77,954
Ansaldoaldiaie Boilers India Private Limited ('ACB')	₹ 10/-	3,65,00,000	3,65,00,000
Gammon Infrastructure Projects Limited	₹ 2/-	19,39,99,800	19,39,99,800
Gammon Holdings (Mauritius) Limited	\$ 1	15,000	15,000
Gammon Engineers & Contractors Private Limited	₹ 10/-	10,53,169	10,53,169
Total		23,67,01,538	23,67,01,538

(e) **Maturity profile of Term Loans and NCD**

Period	March 31, 2023	March 31, 2022
Credit Facility recalled by Lenders	4,964.29	4,861.54
Principal Overdue	-	-
With in 1 years	-	-
1 to 5 years	-	-
beyond 5 years	-	-
Total	4,964.29	4,861.54

16 Financial Liabilities - Trade Payable

Particulars	March 31, 2023		March 31, 2022	
	Non-Current	Current	Non-Current	Current
Trade Payables				
- Micro and Small Enterprises	-	0.29	-	0.34
- Others	22.85	151.69	23.21	176.17
Total	22.85	151.98	23.21	176.51

(i) As per the information / intimation / documentation available with the Company, Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, have been identified by the Company to whom the Company owes dues on account of principal amount together with interest and accordingly additional disclosures under section 22 of The Micro small and Medium Enterprises development Act 2006 have been made.

- (ii) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor
- (iii) The balances of the trade payables are subject to confirmation and consequent reconciliation, if any.
- (iv) **Disclosure In accordance with Section 22 of The Micro Small and Medium Enterprises Development Act 2006.**

Particulars	March 31, 2023	March 31, 2022
Principal amount due	0.29	0.34
Interest due on the above	1.68	1.49
The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each accounting year	1.97	1.83
The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
Principal amount paid beyond appointed day	-	-
Interest paid thereon	-	-
The amount of interest due and payable for the period of delay in making payment but without adding the interest under MSME Act where payment has been made beyond appointed day during the year.	1.68	1.49
The amount of interest accrued and remaining un-paid at the end of the accounting year	1.68	1.49

(v) **Trade Payable Ageing Schedule**

Ageing from bill date

As at March 31, 2023

Range of O/s period	MSME		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	-	-	2.16	-	2.16
Not Due	-	-	-	-	-
Less than 1 year	0.07	-	32.50	-	32.57
1-2 years	0.04	-	6.52	-	6.57
2-3 year	-	-	4.10	-	4.10
> 3 years	0.18	-	129.26	-	129.44
Total	0.29	-	174.54	-	174.83

As at March 31, 2022

Range of O/s period	MSME		Others		Total
	Undisputed	Disputed	Undisputed	Disputed	
Unbilled	-	-	2.94	-	2.94
Not Due	-	-	-	-	-
Less than 1 year	0.10	-	16.80	-	16.90
1-2 years	-	-	3.20	0.00	3.21
2-3 year	-	-	2.08	-	2.08
> 3 years	0.24	-	169.47	4.87	174.59
Total	0.34	-	194.51	4.87	199.72

17 Provisions

Particulars	March 31, 2023		March 31, 2022	
	Non-Current	Current	Non-Current	Current
Employee Benefits:				
Provision for Gratuity				
- Indian Companies	0.51	0.21	0.32	0.27
Provision for Leave Encashment	0.42	0.47	0.38	0.47
Provision for Tax	2.26		2.26	
Others:				
Provision for Risk and Contingencies	-	353.48	-	283.32
Total	3.19	354.16	2.96	284.06



(a) Disclosure under IND AS 37 “ Provisions, Contingent Liabilities and Contingent Assets”

Provision for Risk and Contingencies

Particulars	Opening	Addition	Utilisation	Closing
Provision for Risk and Contingencies				
Current Year	283.32	70.16	-	353.48
Previous Year	276.53	6.79	-	283.32

(b) Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits- Gratuity

Table Showing Change in the Present Value of Projected Benefit Obligation	As at March 31, 2023	As at March 31, 2022
Expenses Recognized in the Statement of Profit or Loss for Current Period		
Current Service Cost	0.07	0.08
Net Interest Cost	0.05	0.04
Actuarial (Gains)/Losses	-	-
Expenses Recognized	0.12	0.12
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	0.01	(0.10)
Return on Plan Assets, Excluding Interest Income	(0.00)	-
Net (Income)/Expense For the Period Recognized in OCI	0.01	(0.10)
Balance Sheet Reconciliation		
Opening Net Liability	0.59	0.69
Expenses Recognized in Statement of Profit or Loss	0.11	0.15
Liability transferred due to loss of control	0.01	-0.12
Expenses Recognized in OCI	0.02	-
Benefit Paid Directly by the Employer	-	-
Employer Contribution	-	(0.14)
Net Liability/(Asset) Recognized in the Balance Sheet	0.72	0.59
Category of Assets		
Insurance fund	0.49	0.56
Total	0.49	0.56

Assumptions	2022-23	2021-22
Expected Return on Plan Assets	6.84%	6.49%-6.96%
Rate of Discounting	6.84%	6.83%-6.96%
Rate of Salary Increase	4.00%	4.00%-8.00%
Rate of Employee Turnover	30% for LMR, 10% and 2% for HO	30% for LMR, 10% and 2% for HO
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

Sensitivity Analysis	2022-23	2021-22
Projected Benefit Obligation on Current Assumptions	1.13	0.97
Delta Effect of +1% Change in Rate of Discounting	(0.03)	(0.02)
Delta Effect of -1% Change in Rate of Discounting	0.05	0.04
Delta Effect of +1% Change in Rate of Salary Increase	0.05	0.04
Delta Effect of -1% Change in Rate of Salary Increase	(0.05)	(0.04)
Delta Effect of +1% Change in Rate of Employee Turnover	0.01	0.01
Delta Effect of -1% Change in Rate of Employee Turnover	(0.01)	(0.01)

Note :

- 1 Gratuity is payable as per company's scheme as detailed in the report.
- 2 Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
- 3 The Holding Company's Gratuity Fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities. The Holding Company's Gratuity Liability is entirely funded except LMR employees.
- 4 Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- 5 Maturity Analysis of Projected Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.
- 6 In the absence of data of experience adjustments, the same is not disclosed.
- 7 The Company's Leave Encashment Liability is entirely unfunded.

8 Risk Factors / Assumptions

- a) **Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
- b) **Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- c) **Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
- d) **Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
- e) **Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
- f) **Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

18 Other Non-Current Liabilities

Particulars	March 31, 2023	March 31, 2022
Contact Liabilities- Client Advances	167.18	144.91
Unamortised Deferred Rent Income	0.15	0.02
Rent Deposit	0.80	1.02
Advance received against Real Estate Joint development	43.00	43.00
Total	211.13	188.94

In one of the subsidiary company (DIPL) , Loans and advances payable to certain parties have been settled through settlement agreement whereby properties developed and forming part of inventory has been agreed to be transferred. Accordingly, amounts appearing as loans and advances from such parties have been regrouped as advances from customers.

**19 Current Financial Liabilities - Borrowings**

The borrowings are analysed as follows :

Particulars	March 31, 2023	March 31, 2022
Short Term Loan from bank	58.71	415.00
Other Loans and Advances :		
Others	94.64	157.13
Total	153.35	572.13
The above amount includes		
Secured Borrowings	58.71	415.00
Unsecured Borrowings	94.64	157.13

Note: The entire credit facilities of ₹ 1216.86 crores (P.Y ₹ 1168.13 crores) is recalled by the lenders and hence disclosed under current liabilities - Refer note no. 20

A Holding Company**(i) Securities - Cash Credit from Consortium Bankers :**

- a) 1st pari-passu charge on the entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.
- b) 2nd pari-passu charge over the entire Fixed Assets (immovable and movable) of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- c) 2nd pari-passu charge on Gammon House.

(ii) The rate of interest on above loan is linked to MI base rate + 175 bps to 225 bps.

Some of the loans are at spread below Bank base rate or Bank Prime lending rate or at Negotiable rates. The Spread range from 100 to 250 bps.

(iii) Buyers Credit are secured by guarantee of consortium bankers.**(iv) Short term loan from consortium Bankers :****a) BOB -Security - Short Term Loan V - INR**

1st Charge on investments, Loans & Advances, LT Receivables (claims) of Gammon India Limited Residual

2nd charge on Gammon House

2nd charge of Canara Bank on Dombivali Metropolitan Infra Housing Private Limited Land (only on RTL-1 portion)

Pledge on shares of Metropolitan Infra Housing Private Limited (Dombivali)

Pledge on shares of Deepmala Infra Private Limited (76%)

Pledge on shares of Ansaldocaldaie Boilers India Private Limited (73%)

Pledge on shares and corporate guarantee of Nikhita Estate Developers Private Limited (100%)

Pledge on Promoters holding in Gammon India Limited

Personal Guarantee of Mr.Abhijit Rajan

Pledge on Gammon India Limited's holding in EPC

Pledge on Gammon India Limited's holding T&D

Other contractual comforts and undertakings taken at the time of CDR

b) BOB -Security - STL VI - INR

2nd Charge on Investments, Loans & Advances, Long Term Receivables (claims) of Gammon India Limited Residual

Second charge on shares of Metropolitan Infra Housing Private Limited (Dombivali)

pledge on shares of Deepmala Infra Private Limited (76%)

pledge on shares of Ansaldocaldaie Boilers India Pvt Ltd (73%)

Pledge on shares and corporate guarantee of Nikhita Estate Developers Pvt Ltd (100%)

Pledge on Promoter's holding in Gammon India Limited

Personal Guarantee of Mr.Abhijit Rajan

Other contractual comforts and undertakings taken at the time of CDR

c) IDBI - STL

Primary Security

pari-passu charge on the entire current assets, loans & advances investments, long term trade receivables and other assets of Gammon India Limited by way of deed of hypothecation

2nd pari passu charge on the entire fixed assets (immovable and movable) of Gammon India Limited excluding the fixed asset charged exclusively to Non Convertible Debenture holders

2nd pari passu charge on Gammon House

STL-I & II are allowed by way of interchangeability from the existing NFB limits for which the security has already been created

Collateral Security

Pledge of 16,27,94,100 unencumbered shares of Gammon Infrastructure Project Limited (GIPL) with duly executed Power of Attorney for sale of shares.

d) ICICI -STL

The performance BG facility and therefore the proposed OD facility is already secured by way of various securities as part of the CDR Package.

The OD facility shall be additionally collateralised by way of :

Exclusive pledge of 16,89,99,900 equity shares of Gammon Infrastructure Projects Limited (GIPL) held by Gammon Power Limited representing 17.94% of the total paid up equity shares of GIPL. The same shall be Subject section 19 (2) & (3) of the Banking Regulation Act.

NDU- PoA over the remaining 16,89,99,900 equity shares of Gammon Infrastructure Projects Limited (GIPL) held by Gammon Power Limited representing 17.94% of the total paid up equity shares of GIPL which shall be released in favour of IDBI Bank / Other Bank who shall be sanctioning the remaining OD facility

(v) In case of Holding Company , the facilities from the lenders have become Non Performing Assets in the month June'17. The Lenders have recalled all the loans and therefore all the loan facilities are classified as current and disclosed under Current Liabilities. For the purposes of ease of disclosure and understanding the terms and conditions of each facilities before they were recalled are disclosed hereunder.

On account of the above a number of lenders have not shared their confirmations as at the year ended March 31, 2023 and to that extent the balances are unconfirmed.

B Others

ACBI

Securities - Cash Credit from IDBI Bank : - Overdraft Facility is secured against Fixed Deposit with Bank.

DIPL

Term loan from Axis Bank by first charge on 75% of total plot of land admeasuring 14.88 acres situated at South TT nagar in Bhopal (M.P) & construction thereon and extention of exclusive first charge on the entire current assets, receivables and all bank accounts

The subsidairy Company was classified as Non-Performing Asset (NPA) by Axis Bank in 2018 as Company was not able to service the repayments including the interest of the financial facility it had availed from Axis Bank. As stated in Note 10, Axis Bank approved an One-time Settlement (OTS) proposal received from identified financial investor in terms of the re-structuring framework prescribed by RBI. Accordingly, a tripartite agreement was entered between the subsidiary Company, its majority shareholder and the Financial Investor resulting in Change in Management of the subsidiary Company documenting various terms and conditions of the OTS.

The OTS was accepted by the Lender for a settlement amount of INR 200 crores against the total outstanding amount of INR 747.67 Crores as on 24th Jan 2023 whereby the agreed OTS amount was required to be paid in installments as agreed with the Lenders.



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Loans and advances payable to certain parties have been settled through settlement agreement whereby properties developed and forming part of inventory has been agreed to be transferred. Accordingly, amounts appearing as loans and advances from such parties have been regrouped as advances from customers

GIBV

Loan from Driya Ltd. is granted for shorter period of maximum one year with 14 days notice for renewal by either party. If no notice is given for the first period of one year, the loan will automatically be renewed for subsequent periods of one year. The interest rate is Fixed at 1% p.a.

20 Other Current Financial Liabilities

Particulars	March 31, 2023	March 31, 2022
Credit Facilities Recalled by Lenders - Secured Including Foreign SPV'S Companies	4,979.59	4,861.54
Interest Accrued (Refer Note (e) below)		
Bank and Financial Institution	2,507.57	2,060.50
Others	2.51	2.29
NPA Interest Accrued	2,183.34	1,837.79
Unpaid Dividend (Refer Note (d) below)	0.58	0.58
Employee Payable	12.19	11.97
<u>Other Payables</u>		
- Related Party	15.92	14.94
- Others	136.00	139.50
Total	9,837.70	8,929.11

(a) Details of continuing defaults in serving principal repayments are as follows:

As at March 31, 2023:

The entire credit facilities of Holding Company and its Foreign SPV's are recalled by the lenders and hence the entire credit facility is shown as default. Total amount credit facility recalled is ₹ 4979.59 which is shown in current liabilities.

As at March 31, 2022:

The entire credit facilities of Holding Company and its Foreign SPV's are recalled by the lenders and hence the entire credit facility is shown as default. Total amount credit facility recalled is ₹ 4861.54 which is shown in current liabilities.

(b) The continuing default on Interest obligation is tabulated below:

As at March 31, 2023	1 to 90 days	91 to 180 days	181 to 365 days	Above 365 days	Total
GIL*	88.59	87.48	165.62	1,841.63	2,183.32
ATSL Holding BV	4.34	-	9.02	56.35	69.71
PVAN	3.85	-	8.00	58.05	69.90
GHBV	11.49	-	23.90	174.49	209.88
GIBV	12.04	-	29.04	204.19	245.27
GHML	2.91	3.04	3.47	111.62	121.04
GACTEL				2.23	2.23
	123.21	90.52	239.06	2,448.57	2,901.36

The continuing default on Interest obligation relating to short term facilities including CC is part of the recalled debt

The Interest of STL, WCDL and Cash credit to the extent of Rs 393.80 crores (PY: Rs 344.15 crores) are shown under respective short term loan facility.

As at March 31, 2022	1 to 90 days	91 to 180 days	181 to 365 days	Above 365 days	Total
GIL*	77.89	76.49	145.67	1,541.58	1,841.64
ATSL Holding BV	2.39	-	6.67	42.90	51.96
PVAN	2.12	-	5.92	47.50	55.54
GHBV	6.33	-	17.67	136.88	160.88
GIBV	8.29	4.47	23.35	162.56	198.67
GHML	2.78	2.82	2.82	85.27	93.69
GACTEL	-	-	-	2.23	2.23
	99.81	83.78	202.10	2,018.91	2,404.60

* The continuing default on Interest obligation relating to short term facilities including CC is part of the recalled debt
The Interest of STL, WCDL and Cash credit to the extent of Rs 344.10 crores are shown under respective short term loan facility.

(c) The above information of default is disclosed only to the extent of information available for the respective Group Companies Financial Statement.

(d) ** Rs. 0.58 Crores (PY Rs. 0.58 Crores) lying in unpaid dividend bank account are pending to be transferred to Investors Education and Protection Fund. The amount of unpaid dividend is pertaining to 725,800 equity shares which are held in abeyance. The Company as a matter of abundant precaution also declared dividend on these shares whose allotment was held in abeyance. The accumulated dividend on these shares is being kept in a separate bank account. The said dividend is unclaimed and unpaid as it pertains to shares whose allotment itself is held in "abeyance".

(e) **GIL**

Interest accrued includes ₹ 1989.39 Crore (P.Y March 2022: ₹ 1518.40 Crore) on account of NPA Interest accrued in the books

GTPL

Interest accrued includes ₹ 107.69 (P.Y. ₹ 88.11) crore on account of NPA Interest accrued in the books

Other Payable

(f) An Amount of Rs. 111.22 Crore (P.Y.Rs 108.56 Crore) is payable to GECPL as at March 31, 2023. This amount has been earmarked against the assignment of specific claims and awards in favour of GECPL, for which the Company has written to the clients. No interest is accrued on the aforesaid amount.

(g) **Foreign SPV's:**

During the previous periods the Bankers has issued notice to the Holding Company who has guaranteed the repayments, for immediate discharge of its USD loan amount. In view of financial difficulties of Holding Company the said amount has not been discharged and therefore the entire amount has been shown as current liabilities.

Bank Loan balances are as per Bank advice available with the Company and no bank confirmations are available on the record

(h) **Corporate Restructuring and Other - Borrowings Notes**

The Company's Corporate Debt Restructuring (CDR) package was approved by the CDR Empowered Group (EG) in its meeting held on 24th June, 2013 and communicated to the Company vide its letter of approval dated 29th June, 2013. The Company executed the Master Restructuring Agreement (MRA) with the CDR lenders on 24th September, 2013. Substantial securities have been created in favour of the CDR lenders.

Key features of the CDR agreement are as follows :

- Reschedulement of Short Term Loans & Rupee Term Loans (RTL) and NCD payable over a period of ten years
- Repayment of Rupee Term Loans (RTL) after moratorium of 27 months from cut off date being 1st January, 2013 in structured quarterly installments commencing from April 2015.
- Conversion of various irregular / outstanding / devolved financial facilities into Working Capital Term Loan (WCTL).
- Repayment of WCTL after moratorium of 27 Months from cut off date in structured quarterly installments commencing from April 2015, subject to mandatory prepayment obligation on realization of proceeds from certain asset sale and capital infusion.
- Restructuring of existing and fresh fund based and non fund based financial facilities, subject to renewal and reassessment every year.
- Interest accrued but not paid on certain financial facilities till March 2014 is converted into Funded Interest Term Loan (FITL).
- Waiver of existing events of defaults, penal interest and charges etc. in accordance with MRA.
- Right of Recompense to CDR Lenders for the relief and sacrifice extended, subject to provisions of CDR Guidelines and MRA.
- Contribution of ₹100 Crore in the Company by promoters, in lieu of bank sacrifice, in the form of Promoters Contribution which can be converted to equity.



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(i) Securities for Term Loans and NCD :

Rupee Term Loan (RTL) - 1 and FITL thereon -

- 1) 1st pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2) 2nd pari-passu charge on the Gammon House, entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Rupee Term Loan (RTL) - 2 and FITL thereon -

- 1) 1st pari-passu charge on Gammon House.
- 2) 2nd pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 3) 2nd pari-passu charge on entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Rupee Term Loan (RTL) - 3 and FITL thereon -

- 1) 3rd pari-passu charge over the entire Fixed Assets (movable and immovable) and Current Assets of the Company excluding the Gammon House.
- 2) 3rd pari-passu charge on the Gammon House.

Working Capital Term Loan (WCTL) -

- 1) 1st pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2) 2nd pari-passu charge on the Gammon House, entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Priority Loan -

- 1) 1st pari-passu charge on the entire Fixed Assets (movable and immovable), both present and future of the Company, including the pari-passu security with Non Convertible Debenture but excluding the exclusive security for Non Convertible Debenture and the Gammon House.
- 2) 2nd pari-passu charge on the Gammon House, entire Current Assets, Loans and Advances, Long Term Trade Receivables and other assets of the Company.

Non Convertible Debentures (NCD) and FITL thereon -

- 1) 1st pari-passu charge by mortgage of Gujarat Property and hypothecation over the pari-passu security with the Non Convertible Debentures.
- 2) 3rd pari-passu charge over the entire Fixed Assets (movable and immovable) and Current Assets of the Company excluding the Gammon House.
- 3) 3rd pari-passu charge on the Gammon House.
- 4) In case of 9.95% NCD of ₹50 Crore, being not part of CDR scheme, interest is not converted in to FITL. This redeemable NCD is secured by hypothecation of specific Plant and Machinery with pari-passu charge by mortgage of immovable property in Gujarat.

Funded Interest Term Loan (FITL) -

The interest amount on RTL - 1, RTL - 2, RTL - 3 and NCDs for the initial period of 15 months i.e. from cut off date till 31 March 2014 are converted to FITL.

(j) Interest on Term Loans -

Facility	Interest Rate	Remarks
OD	MCLR 6M + 5.55%	Spread including penal interest
WCTL	I Base + 10.25%	Spread including penal interest
PL	MCLR 1Y + 5%	Spread including penal interest
CC	MCLR 6M + 5.45%	Spread including penal interest

Non Convertible Debentures

Facility	Principal as on 31 March 2023	Rate	Principal as on 31 March 2022
10.50%	65.24	10.50%	65.41
11.05%	89.08	11.05%	89.08
9.50%	89.12	9.50%	89.34
9.95%	44.54	9.95%	44.53
Grand Total	287.98		288.36

(k) Repayment Term

Type of Loan	Repayment Schedule
RTL - 1, RTL - 2, RTL - 3, NCD, WCTL & FITL	Repayable in 31 quarterly instalments commencing 15 April 2015 and ending on 15 October 2023.
Priority Loan	Repayable in 20 quarterly ballooning instalments commencing 15 April 2015 and ending on 15 January 2020.

(l) Collateral security pari-passu with all CDR lenders

- Pledge of entire unencumbered Equity Shares (present and future) of GIL held by Promoters subject to section 19(2) & 19(3) of Banking Regulation Act including pledge of encumbered Equity Shares as and when such shares are released by the respective existing lender
- Personal guarantee of Mr Abhijit Rajan, Chairman & Managing Director.
- Undertaking to create pledge over the resultant shares of Metropolitan Infrahousing Private Limited (MIPL) after signing the Joint Venture agreement with developer.
- Corporate Guarantee provided by Nikhita Estate Developers Private Limited ("promoter entity")

e) Pledge over the following shares -

Deepmala Infrastructure Private Limited
 Ansaldocaldaie Boilers India Private Limited
 Gactel Turnkey Projects Limited
 Transrail Lighting Limited
 Gammon Engineers and Contractors Private Limited
 Nikhita Estate Developers Private Limited

(m) Investment Spv's (GIBV, GHBV, PVAN, ATSL BV , GHM)

The Loan is secured by charge over DSRA A/c of the Company. The Parent Company has also pledged its entire shareholding of the Company with the Bank and also provided Corporate Guarantee.

During the earlier year Term Loan from ICICI Bank has been rescheduled by which the same are to be repaid by 1 April 2015 by sale of Investments . In case sale does not occur or the proceeds are insufficient ,the same is repayable by the parent Company in quarterly installments from 1 April 2015.The applicable interest rate is equal to 3 months LIBOR plus 275 bps for GIBV and PVAN, and 3 months LIBOR plus 250 bps for GHBV & ATSL B.V. Interest & installment is due and paid on Quarterly basis. The interest rate will increase by 100 bps for GIBV and PVAN while 125 bps for GHBV and ATSL BV, if not repaid before 30 April 2015 with retrospective effect from 1 October 2012. Provision has been made for such additional amounts by the respective SPV's.

During the earlier year Term Loan from ICICI Bank, UK PLC has been rescheduled by which the same are to be repaid by 1 April 2015 by sale of Investments. In case sale does not occur or the proceeds are insufficient ,the same is repayable by the parent Company in quarterly installments from 1 April 2015.The applicable interest rate is equal to 3 months EUROLIBOR plus 360 bps for GIBV, Interest & installment is due and paid on Quarterly basis. The interest rate will increase by 100 bps if not repaid before 30 April 2015 with retrospective effect from 1 October 2012. Provision has been made for such additional amounts by the respective SPV's.

During earlier periods ICICI bank Canada has encashed the Bank Guarantee of the parent but has not appropriated the encashment against the loan amount. However the Company has protested the non appropriation and adjusted the same in its books against the loan amount.



- (n) One of the Subsidiary Gactel (Gactel Turnkey Projects Ltd) had availed credit facilities from Axis Bank in the year 2013 for which the Company had given Corporate Guarantee and Shortfall Undertaking for any shortfall by Gactel in meeting its obligations. The current assets of the Subsidiary was Collateral Security. Collateral Security was given by another Subsidiary Deepmala (Deepmala Infrastructure Private Limited) as a Negative Lien of its land at Bhopal and Negative Lien its entire cash flow from the Bhopal Project. Axis Bank has assigned the entire outstanding of Term Loan to CFM Asset Reconstruction Pvt. Ltd in the year October 2021

However, the loan of Gactel became an NPA on 29.02.2017 and on 06.12.2017 Axis Bank recalled the entire outstanding borrowings of Rs 152.53 Crores from Gactel. Deepmala also became an NPA in June 2018 and Axis Bank filed in NCLT against the borrower for recovery of its dues. The Company diligently worked with the common lender over prolonged period to resolve the matter and finally an OTS offer was made by Deepmala and same is accepted by Axis bank on 02.05.2019 for payment of Rs 210 crores against its borrowings of Rs 425 crores and other interest. The same was accepted by Deepmala. This OTS left Deepmala with sufficient landed assets to cover the borrowings of Gactel, in case of Gactel's failure to pay the lender. However, Deepmala has failed to honour its commitment under the OTS and Axis Bank has withdrawn the OTS offer made earlier and demanded the entire outstanding along with interest, costs and damages from it vide letter dated 23.01.2020.

- (o) The Company has borrowings from banks or financial institutions on the basis of security of current assets, however during the year no quarterly returns or statements of current assets filed by the company with banks or financial institutions as the entire facilities from the lenders have become Non Performing Assets in the month June'17. the Lenders have recalled all the loans.

- (p) Registration of Charge - As at March 31, 2023, the Company has registered all charges duly with the Registrar of Companies in favour of the lenders.

Satisfaction of Charge - There are old charges disclosed as outstanding of Rs. 29,149 crores as at March 31, 2023 in respect of borrowings which have been restructured by the lenders long back for which fresh charge is created. The Company is unable to clear the satisfaction of old charges for lack of requisite documentation from the lenders. The matter is being followed up by the Company.

21 Other Current Liabilities

Particulars	March 31, 2023	March 31, 2022
Contract Liabilities	37.40	37.40
Duty & Taxes Payable	16.26	16.02
Unamortised Deferred Rent Income	0.10	0.02
Share Application Money Pending allotment (refer note (i) below)	16.64	16.64
Other Payables	12.08	25.24
Total	82.48	95.32

- (i) The Subsidiary Company (ACBI) had received amounts as Share Application Money of Rs. 16.64 Cr for further allotment of shares which were to be issued on terms and conditions to be decided by the Board and in line with the extant regulation of the RBI. The Reserve Bank of India had on January 29, 2014 directed the ACBI to refund the said amounts to Ansaldo Caldaie S.P.A. The company has subsequently applied to RBI vide letter dated 28th February 2014 to convert the share application money as ECB which has also been approved by the Board of Ansaldo Caldaie S.P.A. However, on June 25, 2014, RBI had turned down the ACBI's request to convert the share application money into ECB and directed to allot the share or refund the money within one year. Since, Ansaldo S.P.A was unable to increase its holding in the Company in the absence of equivalent contribution from the Holding Company, it has irrevocably waived its right to be allotted further equity shares and has also waived its right to receive a refund of the advance share application money vide its letter dated 18th May 2015 submitted to Reserve Bank of India.

The ACBI has received letter from RBI dated August 16 , 2018 directing the Company to refund the excess Share Application money received from Ansaldo Caldaie s.p.A with in 15 days of receipt of the letter falling which will constitute as continuing violation and action under FEMA, 1999 will be taken including the referring to Directorate of Enforcement.

With reference to above the Company has replied to RBI stating various reasons which includes:

- No viability of the Company to generate current and future revenue.
- No sufficient networth of the Company for repayment
- Cashflow from the current projects of the Company is limited to pending dues of completed projects and towards lenders against Principal and interest.
- Gammon India Limited the holding Company is referred to NCLT and hence is unable to extend and kind of financial support.

The management is hopeful of a favourable response to its reply granting permission not to allot shares and permit non-refund of the amount. The matter is still not concluded and the RBI has sought for further clarification which is being responded by the Company.

22 Current Tax Liabilities

Particulars	March 31, 2023	March 31, 2022
Provision for taxation (net of taxes paid)	0.00	5.85
Total	0.00	5.85

23 Revenue from Operations

Particulars	2022-23		2021-22	
Revenue from Operations:				
Sale of Services		100.18		27.54
Sale of Products		14.56		0.05
Other Operating revenue		0.31		0.26
Total		115.05		27.85
Breakup of Revenue from Operations:				
Sale of Services:				
Contract Revenue	100.18	100.18	27.54	27.54
Sale of Products:				
Sale of Products	14.56	14.56	0.05	0.05
Other Operating revenue:				
Sale of Scrap	0.31		0.13	
Miscellaneous Operating Income	-	0.31	0.13	0.26
Total		115.05		27.85

(ii) Disclosure as Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

(The above information of Ind AS 115 is disclosed only to the extent of information available for the respective Group Companies Financial Statement.)

(a) Method used to determine the contract revenue :	Input Method
Method used to determine the stage of completion of contract :	stage of completion is determined as a proportion of costs incurred upto the reporting date to the total estimated cost to complete

b) The Company undertakes Engineering, Procurement and Construction (EPC) business. The type of work in the contracts with the customers involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance etc. The effect of initially applying Ind AS 115 on the Company's revenue from contracts with customers is described in Note 1. The Company has applied INDAS 115 prospectively by applying Cumulative catchup approach. Due to the transition method chosen in applying INDAS 115, comparative figures has not been restated to reflect the new requirements.

c) Disaggregation of revenue from contracts with customers :

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

Particulars	March 31, 2023	March 31, 2022
Primary geographical markets		
In India	115.05	27.85
Outside India	-	-
Total	115.05	27.85

Significant changes in contract asset and contract liabilities balances during the year are as follows:

Particulars	March 31, 2023	March 31, 2022
(A) Due from contract customers:		
At the beginning of the reporting period	49.13	69.58
Cost incurred plus attributable profits on contracts-in-progress	-	-
Progress Billings made towards contracts-in-progress	-	(1.05)
Receipts from contract customers	-	(3.69)
Significant change due to other reasons	-	(15.71)
At the end of the reporting period	49.13	49.13



Particulars		March 31, 2023	March 31, 2022
(B)	Due to contract customers:		
	At the beginning of the reporting period	60.66	90.21
	Revenue recognised that was classified as due to contract customers at the beginning of the reporting period (Para 116 (b))	-	-
	Progress billings made towards contracts-in-progress	(1.25)	(29.55)
	At the end of the reporting period	59.41	60.66

d) Performance obligation

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for construction of highways, water pipeline projects, construction of residential & commercial buildings, and others. The type of work in these contracts involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations & maintenance etc.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

GIL

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) Performance obligations to be performed in next year is amounting to ₹ 40.31 crores (previous year amounting to 73.43 Crores)

24 Other Income

Particulars	2022-23		2021-22	
Interest Income on amortised cost		1.02		0.17
Rent Income		3.14		5.04
Interest Income on award received		-		1.17
Foreign Exchange Gain		76.50		-
Sundry balances written back		36.40		6.68
Excess provision written back		-		0.51
Profit on Sale of Assets		5.58		-
Others Misc income		0.62		0.04
Total		123.26		13.61

25 Cost of Sales

Particulars	2022-23		2021-22	
Opening Stock	15.12		14.84	
Add : Purchases	31.32	46.44	11.70	26.54
Less : On account of divestment of Subsidiary	-		-	
Less : Closing Stock	16.60	16.60	15.12	15.12
Total		29.84		11.42

26 Changes in WIP & FG

Particulars	2022-23		2021-22	
Opening Stock	21.95		21.95	
Add : Purchases	-		-	
Less : Closing Stock	-	21.95	-21.95	-
Total		21.95		-

27 Subcontracting Expenses

Particulars	2022-23	2021-22
Subcontracting Expenses	8.99	14.29
Total	8.99	14.29

28 Employee Benefits

Particulars	2022-23	2021-22
Salaries, Bonus, Perquisites etc.	8.83	8.06
Contribution to Employees Welfare Funds, Gratuity and Leave Encashment	0.49	0.46
Staff Welfare Expenses	0.25	0.16
Total	9.57	8.68

29 Finance Cost

Particulars	2022-23	2021-22
Interest Expense on amortised cost	964.07	826.96
Other Borrowing Costs	1.28	43.60
Total	965.35	870.56

Holding Company:

During the Year ended March 31, 2023 two lenders have levied penal interest and charges of Rs 91.11 Crores. Total amount of penal interest and charges amounts to Rs. 415.76 Crores up to March 31,2023. The management is disputing the same and has not accepted the debit of excess penal interest and charges in its books. They have also requested the lenders to reverse the same. In the resolution plan which is approved by two lenders, this amount is likely to be reversed and the resolution plan does not consider the Company liability to pay this.

On account of the company being marked as non performing assets by the lenders no interest has been debited by majority of the lenders. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any.

30 Depreciation & Amortisation

Particulars	2022-23	2021-22
Depreciation	2.22	3.70
Total	2.22	3.70

31 Other Expenses

Particulars	2022-23	2021-22
Plant Hire Charges	2.52	1.94
Consumption of Spares	0.41	0.38
Outward Freight	0.07	-
Power & Fuel	1.96	1.99
Fees & Consultations	3.69	2.17
Rent	1.22	1.13
Rates & Taxes (incl indirect taxes)	0.38	0.36
Travelling Expenses	1.20	0.91
Communication	0.04	0.03
Insurance	0.66	0.43
Repairs to Plant & Machinery	0.02	0.02
Other Repairs & Maintenance	0.15	0.17



Particulars	2022-23	2021-22
Bank Charges & Guarantee Commission	1.28	2.37
Other Site Expenses	1.11	1.09
Sundry Expenses	0.69	0.80
Compensation Paid	14.55	-
Sundry Balance Written Off	5.64	2.23
Bad Debts	8.78	
Contract Assets write off	10.85	-
Provision for Doubtful Debts and Advances	0.33	2.52
Loss on Sale of investment	-	0.02
Provision for Rera Case	33.80	-
Provision for Risk and Contingency	36.36	6.79
Loss on Sale of Assets	-	0.17
Loss on Recognition of Project Award	21.36	225.79
Foreign Exchange Loss	0.00	60.92
Asset written off	-	0.05
Remuneration to Statutory auditors	0.24	0.18
Component Auditors Remuneration	0.03	0.06
Other (none of the which is more than 1% of the Operating revenue)	-	-
Total	147.34	312.52

Remuneration to Auditors of the Company and its Components

Particulars	2022-23		2021-22	
Remuneration to Company Auditor				
Statutory audit	0.15		0.15	
Limited Review	0.03		0.03	
Component Audit Fees	0.01		-	
Attestation and Certification	0.06	0.25	0.00	0.18
Remuneration to Component Auditor				
Statutory audit	0.03		0.05	
Other Services	-	0.03	0.01	0.06

32 Exceptional Items

Particulars	2022-23	2021-22
Impairment of Inventory	(255.76)	-
Waiver of Loan and Interest	300.80	-
Loans & Other Balance written Off (Net)	(5.44)	-
Total	39.60	-

Note:

- i) During the year one of the subsidiary Company (DIPL) has entered into OTS Settlement with its primary lender Axis Bank. The terms of the OTS are expressly stated in Note 15. Due to the OTS settlement Subsidiary company has Written off the Loan and interest amount of the Bank for the balancing amount. Pursuant to the OTS documented through tripartite agreement between the Company, its Shareholder and Financial Investor, amounts receivable (including interest) from related parties of the majority shareholder has been written off with the consent to each of such parties. For details Refer Note No: 15A
- ii) The subsidiary Company (DIPL) has obtained a valuation report in March 2023 for realisability from its project which is valued at Rs 450 cr. The carrying value of inventory in the books of the Company has been written down to its Net Realisable Value.

33 Tax Expense

Particulars	2022-23	2021-22
Income tax expense in the statement of profit and loss consists of:		
Current Tax	-	-
Excess short provision for tax	1.06	-
Deferred tax	(11.53)	1.23
Income tax recognised in statement of profit or loss	(10.47)	1.23

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

A Current Tax

Particulars	2022-23	2021-22
Accounting profit before income tax	(907.65)	(1,179.28)
Less Non Taxable Profit/(Loss)	(104.70)	94.58
Taxable Profit/(Loss)	(1,012.35)	(1,084.70)
Enacted tax rates in India (%)	29.12%	29.12%
Enacted tax rates in Foreign (%)	-	-
Computed expected tax expenses	(294.80)	(315.87)
Effect of non- deductible expenses	137.55	253.32
Effect of tax losses and deductible expenses	157.24	62.55
Income tax expenses - Net as per normal provision	-	-
Tax As per MAT provision	-	-
Total Tax	-	-

B Deferred Tax

Particulars	Opening Balance	Recognised in profit and loss	Recognised in OCI	Closing Balance
Property, Plant and Equipment	(83.14)	(1.23)		(84.37)
Non Current Investments *	(19.83)	-		(19.83)
Employee Benefits	0.02	0.00		0.03
As at March 31, 2022	(102.94)	(1.23)		(104.17)
Property, Plant and Equipment	(84.37)	(2.58)		(86.95)
Non Current Investments	(19.83)	14.11		(5.72)
Employee Benefits	0.03	0.00		0.03
As at March 31, 2023	(104.17)	11.53		(92.63)

34 Earning Per Share

Earnings Per Share (EPS) = Net Profit attributable to Shareholders / Weighted Number of Shares Outstanding

Particulars	2022-23	2021-22
Net Profit attributable to the Equity Share holders	(926.49)	(1167.88)
O/s number of Equity Shares at the end of the year	36,88,47,305	36,88,47,305
Weighted Number of Shares during the period – Basic	36,88,47,305	36,88,47,305
Weighted Number of Shares during the period – Diluted	36,95,73,105	36,95,73,105
Earning Per Share – Basic (₹)	(25.12)	(31.66)
Earning Per Share – Diluted (₹)	(25.12)	(31.66)


Reconciliation of weighted number of outstanding during the year :

Particulars	2022-23	2021-22
Nominal Value of Equity Shares (Rupee Per Share)	2.00	2.00
For Basic EPS :		
Number of Equity Shares at the beginning	36,88,47,305	36,88,47,305
Add : Issue of shares	-	-
Outstanding Equity shares at the year end	36,88,47,305	36,88,47,305
Weighted Average of Equity Shares at the end	36,88,47,305	36,88,47,305
For Dilutive EPS :		
Weighted Avg no. of shares in calculating Basic EPS	36,88,47,305	36,88,47,305
Add : Shares kept in abeyance	7,25,800	7,25,800
Weighted Avg no. of shares in calculating Dilutive EPS	36,95,73,105	36,95,73,105

35 Disclosure under Indian Accounting Standard (Ind AS) 116 Leases

The Company has taken various residential / godowns / offices premises (including Furniture and Fittings, if any) under lease and license agreements for periods which generally range between 11 months to 3 years These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the company has given refundable security deposits. The lease payments are recognized in Statement of Profit and Loss under Rent Expenses.

Particulars	2022-23	2021-22
Less than one year	1.66	2.06
One to five years	2.35	-
	4.01	2.06

36 Contingent Liability

Particulars	March 31, 2023	March 31, 2022
1 Corporate Guarantees and Counter Guarantees given to Bankers towards Guarantees given by them for Client of the Company and Company's share in the Joint Ventures.	60.01	60.01
2 Disputed Sales Tax Liability for which the Company has gone into appeal	41.35	50.20
3 Claims against the Company not acknowledged as debts	206.74	208.46
4 Disputed Service Tax Liability	2.76	2.76
5 In respect of Income Tax Matters of Company and its Joint Ventures	203.85	151.58
6 Commitment towards capital contribution in subsidiary under contractual obligation	51.32	51.32
7 Disputed Goods & Service Tax Liability	1.86	-
8 Disputed stamp duty liability for assets acquired during amalgamation with erstwhile Associated Transrail Structures Limited	2.01	2.01
9 Disputed Provident Fund (Rs. 3.73 Crores paid under protest)	2.56	-
10 Right to recompense in favour of CDR Lenders in accordance with the terms of MRA	504.96	504.96
11 Contingent Liabilities on account of Associates (restricted to the carrying value of investments)	20.99	20.99
12 Other Matter	8.83	8.83

13 There is a disputed demand of UCO Bank pending since 1986, of USD 436,251 i.e. ₹1.72 Crore. Against this, UCO Bank has unilaterally adjusted the Company's Fixed Deposit of USD 30584 i.e. ₹0.12 Crore, which adjustment has not been accepted by the Company.

14 Counter Claims in arbitration matters referred by the Company – liability unascertainable.

15 The Disputed Service Tax Liability disclosed above is after considering legal advice on the probability of the liability materialising being remote.

16 GIL is in the process of regularising various non- compliances under FEMA by compounding and other process. The liability on account of the said non -compliance is presently not ascertainable.

- 17 One of the Subsidiary has received notice dated 19th March, 2012 from Tahasildar, Kalyan demanding "Unearned Income" sum of Rs. 463.68 crores on Land at Ghariwali, Thane. Company challenged the demand of Tahasildar, Kalyan in High Court, Bombay in the year 2012. Order of High Court, Bombay came in 2015 for permitting company to sale "PART-A LAND" and remaining "PART-B LAND" is subject to resolution of demand of "Unearned Income" of Rs. 463.68 crores raise by Tahasildar, Kalyan.

Company filed Special Leave Petition in Supreme Court in the year 2017 for sale of "PART-B LAND" on which proceeding for demand of "Unearned Income" is going on in High Court, Bombay. Supreme Court ordered in February, 2019 giving permission to the company for sale of "PART-B LAND" subject to filling of "Joint Affidavit of Undertaking" by buyer and seller stating that both will be liable jointly and severally for payment of demand of "Unearned Income" raise by Tahasildar, Kalyan, if found payable. The same "Joint Affidavit of Undertaking" is filed with Supreme Court.

The inventory (balance "PART-B LAND") is valued as per valuation report issued by the adjudicating officer in the month of December 2018. The valuation as per applicable Stamp Act is higher than adjudicating value. Management has an opinion that valuation of inventory by the adjudicating officer is already at lower than its net realisable value and therefore valuation of inventory should not affect by COVID-19.

- 18 There are certain cases pending with RERA, Sales Tax, NCLT, High Court etc. The Subsidiary Company (DIPL) does not expect any outflow and the quantum of outflow in amount is also not ascertainable, so the Company has not made any provision nor disclose any contingent liability.

*Note: out of Above Bank Gurantee figure are unconfirmed

37 Segment Reporting as per IND AS108 " Operating Segments"

- (a) The Group is engaged in "Construction and Engineering" and "Real Estate Development" segment.

The Group is engaged mainly in "Construction and Engineering" segment. The Group also has "Real Estate Development" as other segments. Revenue from such activities is not significant and accounts for less than 10% of the total revenue and total assets of the Company. Therefore no disclosure of separate segment reporting as required in terms of Indian Accounting Standard INDAS -108 is done in respect of this segment. Refer Statement A for Details

- (b) Major Customers

Holding Company (GIL):

Revenue of ₹ 101.17 Crore (PY: ₹ 27.54 Crore) arising from three (PY two) major customer each contributing more than 10% of the total revenue of the Company.

- 38 The commissioner in charge of the Extraordinary Administration of Franco Tosi Meccanica S.p.A. had already concluded the sale of the operating business of FTM to the successful bidder and has commenced the disposal of the non-core assets (i.e. those assets which were not part of the sale of operating business), which includes 60 acres of land in Legnano, Italy. The commissioner has not started the actual disposal of the property. However the liabilities to be discharged against the surplus on disposal (net of tax) are not yet crystallised and firmed up as on date. The Commissioner of the said FTM has released summarized statement of affairs from July 2016 to December 2016 from which also the values of assets and liabilities to be discharged there against are unclear.

The management was expecting that the value of the non core assets would be sufficient to cover the exposure of the company. However there has been no progress in the matter either for the disposal of the non core assets or ascertainment of the value of the non core assets by the commissioner in charge of the Extraordinary Administration of Franco Tosi Meccanica S.p.A. Considering the elapse of time and uncertainties relating to the value of the non core assets and its disposal, the management on a prudent basis has provided for the entire exposure of ₹ 767.87 Crore during the earlier periods notwithstanding its ongoing endeavor to recover the value of the non core assets.

- 39 One of the step down Subsidiary SAE Powerlines S.r.L. (Held through ATSL Holdings BV) has declared the bankruptcy in 2017 and filed for liquidation as per the laws of the land. Due to the aforementioned reasons the financials of the company are not available since December 2017. GIL has stopped consolidating the step down subsidiary in the current year. GIL has provided for entire exposure in the net assets of the said step down subsidiary during the previous periods.

- 40 The Company through its step down subsidiary P. Van Eerd Beheersmaatschappij B.V., Netherlands (PVAN) held a 50% shareholding in Sadelmi S.p.A for Euro 7.50 Million, Italy (Sadelmi) with the remaining 50% held by Busi Impianti S.p.A, Italy since April 2008. Due to the economic conditions prevailing in different parts of the world where Sadelmi was present some of the projects under execution encountered serious contractual problems. Sadelmi therefore sought creditors' protection through a Court in Italy and simultaneously, as part of scheme, applied for transferring the remaining projects and leased all references standing in its name since inception to a new Company Busi Power S.r.l wholly held by Busi Group. The above procedure however has not yet been completed as the decision in the Court is still awaited. The delay is on account of objections raised by some creditors among other reasons. In view of the uncertainties prevailing in Europe and the delay in



the outcome of the Court process in respect of the creditors' protection sought by M/s Sadelmi in its application in connection therewith, the Company has, on prudent basis, made full provision towards its funded exposures in connection with the Investment in Sadelmi.

41 Material Uncertainty Relating to Going Concern

(a) Holding Company

The Company's operations have been affected in the last few years by various factors including liquidity crunch, unavailability of resources on timely basis, delays in execution of projects, delays in land acquisition, operational issues etc. The Company's overseas operations are characterized due to weak order booking, paucity of working capital and uncertain business environment. Also the Company's current liabilities exceed the current assets by Rs. 9,909.38 Crore as at March 31, 2023. Which has only increased further in the quarter. The facilities of the Company with the Secured lenders are presently marked as NPA since June 2017. The liquidity crunch has resulted in several winding up petitions being filed against the Company by various stakeholders for recovery of the debts which the Company has been settling as per the mutually agreed repayment terms. The liquidity crunch is affecting the Company's operation with increasing severity. The Secured lenders have recalled the various facilities, initiated recovery suits in the Debt Recovery Tribunals as well as filing a winding up petition with the National Company Law Tribunal, Mumbai bench under the Insolvency and Bankruptcy code

The Company has been making every effort in settling the outstanding CDR dues.

Pursuant to the execution of the ICA the lenders appointed M/s Deloitte Touche Tohmatsu India LLP as Process Advisory (PA) in the resolution process of the Company. On the recommendation by Deloitte the Company signed an engagement letter with Duff and Phelps (D&P) to carry out the valuation of the Company and estimation on the recoverability of arbitration claims of the Company and on such terms and conditions as directed by IDBI Bank.

In furtherance to the execution of the ICA, the Company submitted a draft resolution plan to the consortium of lenders. Pursuant to the submission of the resolution plan, seven lenders including the lead monitoring institution provided their in-principal sanction to the company and the company is pursuing for the approval with other lenders as well.

Due to delay in approval of resolution plan by other Bankers the fund through which Everstone (Investor) was intended to invest was closed. However, Everstone has shown a keen desire to invest with next available fund.

Due to time constraint, Gammon has proposed an alternate investor with the same terms and conditions for the revival of the Company which is accepted by the Bankers. The lenders discussed the above matter at the Joint Lenders meeting dated 5th March 2022 and while accepting the offer were willing to take up with their higher management for resolution plan of the Company. The Company is awaiting the sanction of the lenders. The resolution process is in the advanced stage and the management is hopeful that the sanctions will be received soon.

Meanwhile the company has received several notices from Union Bank of India and Punjab National Bank under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, taking over the possession of the Gammon House property including the land appurtenant to it. The company has been restrained from parting with the rights over the said property. The total demand raised by this notice is Rs. 1136.71 Cr. Pursuant to SARFAESI Union Bank of India has also issued several e-auction notices the latest on February 20, 2023.

The management is hopeful of obtaining approval of all the lenders to the above plan and execute documents accordingly and maintain its going concern status and to that effect is continuously engaged with the lenders for a solution.

Therefore, in the view of the management the going concern assumption of GIL is intact and these financials are prepared on a going concern basis. The above action plan of the Company for repaying the debts and servicing the same including the necessary value of the balance stake being available and realisation of the claim amounts filed by the Company, monetisation of the stake sale of investments and also the acceptance of the resolution proposal by the lenders is exposed to material uncertainties which may affect the going concern assumption.

(b) Other Group Companies

(i) Ansaldo Caldaie Boilers India Pvt Ltd

The Company is facing financial difficulties and material uncertainties relating to Operations and cashflows which is significantly impairing its ability to continue as a going concern. More specifically the company is facing the following issues:

1. The company has incurred substantial cash losses in its operations (in previous periods) and more than than 50% of its networth is eroded.
2. The Current liabilities of the Company is more than the Current Assets by Rs 78.39 Crores .

3. There are no Orders on hand and the power sector is already laden with troubled projects and facing uncertainties.
4. The RBI has directed the Company to refund the excess share application money received.
5. The investment in Ansaldo GB-Engineering Pvt Ltd is facing impairment issues on account of defaults to their bankers resulting in possession of properties of ACGB by lenders for auction.

The management is hopeful of tiding over these problems with amicable resolution with lenders and RBI. The the Company has made loss in the current year and out of the collection repaid its majority of the debts towards lenders. The Company is also in negotiation with various customers for getting manufacturing and spares contracts and succeeded in getting few. The Company is also taking up the overseas opportunities with its associate companies which can give the new order to substantiate future operations of the Company.

The management also is constantly persuing new opportunities in the power sector and therefore is of the view that there are material uncertainties relating to going concern but is hopeful of reviving the Company.

(ii) ATSL Holding BV

As at March 31, 2023 Current liabilities exceed current assets by Euro 2.28 Crores (Rs.204.69 Crores), the Company is taking various steps to meet its commitments both short term and long term in nature. This situation along with the financial stress the parent Company is presently facing indicates significant uncertainty which may have a significant effect on the going concern assumption and the carrying values of the assets and liabilities in these financial statements.

(iii) Gammon Holding BV

As on 31st March, 2023, current liabilities exceed current assets by Euro 7.72 Crores (Rs. 692.14 Crores). The Company is taking various steps to meet its commitments, both, short term and long term in nature. However the ability of the Company to meet its commitment depends upon the disposal of the Investment made in M/s Franco Tosi Meccanica S.p.A. which in turn depends upon the value of non-core assets of the said Franco Tosi Meccanica. This situation along with the financial stress the parent Company is presently facing indicates significant uncertainty which may have an significant effect on the going concern assumption and the carrying values of the assets and liabilities in these financial statements.

(iv) Gammon International BV

As on 31st March, 2023, current liabilities exceed current assets by Euro 8.37 Crores (Rs. 750.30 Crores). The Company is taking various steps to meet its commitments, both, short term and long term in nature. However the ability of the Company to meet its commitment depends upon the disposal of the Investment made in Sofinter S.p.A.. This situation along with the financial stress the parent Company is presently facing indicates significant uncertainty, which may have an effect on the going concern assumption and the carrying values of the assets and liabilities in these financial statements. The conditions as detailed in aforesaid note indicate existence of material uncertainties relating to the timing and realisation of the cash flows that may cast significant doubt about the going concern assumptions. Our opinion is not qualified on this account.

(v) Gammon International FZE

As on 31st March, 2023, current liabilities exceed current assets by AED 1.25 Crores (Rs. 27.95 Crores). The Company is taking various steps to meet its commitments, both, short term and long term in nature. This situation along with the financial stress the parent Company is presently facing indicates significant uncertainty, which may have an effect on the going concern assumption and the carrying values of the assets and liabilities in these financial statements. The conditions as detailed in aforesaid note indicate existence of material uncertainties relating to the timing and realisation of the cash flows that may cast significant doubt about the going concern assumptions.

(vi) PvanEerd Beheersmaatschappij B.V

As on 31st March, 2023, current liabilities exceed current assets by Euro 1.96 Crores (Rs. 175.32 Crores). The company is taking various steps to meet its commitments, both, short term and long term in nature. However the ability of the Company to meet its commitment depends upon the disposal of the Investment made in Sadelmi SpA, which presently is impaired. This situation along with the financial stress the parent Company is presently facing indicates significant uncertainty which may have an effect on the going concern assumption and the carrying values of the assets and liabilities in these financial statements. The conditions as detailed in aforesaid note indicate existence of material uncertainties relating to the timing and realisation of the cash flows that may cast significant doubt about the going concern assumptions



GAMMON INDIA LIMITED

(vii) Gammon Holdings Mauritius Limited

As on 31st March, 2023, current liabilities exceed current assets by USD 4.77 Crores (Rs. 392.06 Crores). This Condition indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial Statements have been prepared on a going concern basis, the validity of which depends upon continued availability of debt facilities and funds being made available by the Shareholder.

42 Following material Joint Ventures are not consolidated or consolidated based on unaudited financial statement in these consolidated financial statements.

- i. M/s Campo Puma Oriente S.A, Panama, a Joint Venture of the Company whose financials statement post December 31, 2019 are not available for consolidation, and the last audited financial statements was available till December 31, 2012, and the management accounts was available till December 31, 2019.
- ii. M/s Gammon OJSC Mosmetrostroy, a Joint Venture of the group. whose unaudited financial statement for past three years has been incorporated in these consolidated financial statements however the same are not audited for the last three years (Mar 2021 to Mar 2023)

43 The Gammon group owns 67.50% of the total equity capital of Sofinter through two of its wholly owned overseas subsidiaries. However to facilitate continued support on lines of credit, the Board of Sofinter S.p.A has been reconstituted effective from November 2016 with majority vesting with the lending banks of Sofinter group.

In view of what is stated above, the Company contends that it is not able to exercise any influence on the said Sofinter although it holds 67.50% of the Equity. The CEO is also appointed by the Banks and the Bank nominees are controlling the day to day operations and management of the Group. The sole representative of the shareholders on the Board has no vested powers excepting that of the Legal Representative of the Company.

In view of what is stated above, the Company contends that it is not able to exercise any influence on the Group although it holds 67.5% shareholding in Sofinter S.p.A and therefore the said Sofinter is neither accounted as a Subsidiary nor as an Associate at group level.

The valuation of Sofinter as at March 31, 2023, as required by Ind AS 109 "Financial Instrument" for the year ended March 31, 2023 is not carried out and in the absence of fair valuation report no impact if any on the carrying value of investment has been recognised in the current year. The last valuation was carried for the year ended March 31, 2022 vide valuation report dated June 08, 2022.

The exposure of the Company as at March 31, 2023 in Sofinter S.p.A through two subsidiaries is Rs. 1,417.38 crores of which Gammon International BV is Rs. 992.28 Crores and Gammon Holding Mauritius Limited is Rs.425.09 Crores.

The Company has made total provision of Rs. 706.68 Crores (including Rs. 20.12 Crores for the current year on account of changes exchange rates) as at March 31, 2023

44 Tripartite Agreement between Gammon India Limited, Financial Investor and the Subsidiary Company (DIPL) in terms of OTS with Lender

In order to give effect to the OTS with the Lender, DIPL entered into a tripartite agreement with the Financial Investor financing the OTS proposal of the Lender wherein following terms have been agreed:

1. Financial Investor shall fund the OTS through subscription of secured Non-Convertible Debenture (NCD)
2. Financial Investor shall also subscribe to Optionally Convertible Debentures for an initial amount of INR 10 Crores to augment working capital requirements of DIPL. Pursuant to the subscription of OCDs, the Financial Investor shall have right to appoint majority of the directors on Board of DIPL.
3. GRL shall transfer its shareholding in DIPL to Financial Investor at the face value.
4. Financial Investor shall be responsible to finance and complete the project as the Major Developer subject to permission from M.P. Housing Board as may be necessary in this regard.
5. GIL shall transfer its shareholding in DIPL immediately after release of the pledge upon compliance of certain conditions which includes release of Corporate Guarantee of Gammon India.

45 Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 "Related Party Disclosures" has been set out in a separate Statement B.

46 Disclosure related to interest in other entities as required by IND AS 112 are given in a separate Statement - C

47 Disclosure as required under schedule III of the Companies Act, 2013 is given in Statement- D

48 Financial Instruments

- (i) The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 is as follows:

Particulars		Carrying Value		Fair Value	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
A	Financial Assets				
(i)	<u>Amortised Cost:</u>				
	Loans	98.11	152.28	98.11	152.28
	Others	40.28	38.76	40.28	38.76
	Trade receivables	400.94	275.46	400.94	275.46
	Cash and cash equivalents	2.30	1.56	2.30	1.56
	Bank Balance	4.26	14.23	4.26	14.23
	Investments	(100.00)	(100.58)		
(ii)	<u>FVTPL</u>				
	Mutual Funds & Equity Instrument	0.04	0.04	0.04	0.04
(iii)	<u>FVTOCI</u>				
	Investments	133.69	678.77	133.69	678.77
	Total Financial Assets	579.62	1,060.52	679.62	1,161.10
	Financial Liabilities				
(i)	<u>Amortised Cost</u>				
	Borrowings	256.35	572.13	256.35	572.13
	Trade payables	174.83	199.72	174.83	199.72
	Others	9,837.70	8,929.11	9,837.70	8,929.11
	Total Financial Liabilities	10,268.87	9,700.95	10,268.87	9,700.95

(ii) Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and floating interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have significant effect on recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on recorded fair value that are not based on observable market data



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The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Particulars	Date of Valuation	Fair Value measurement using			Valuation Technique
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets measured at fair value					
Investment in Current Investments - FVTPL					
Shares	March 31, 2023	0.04	-	-	Market Value of Shares
Equity Investments - FVTOCI					
Equity Shares	March 31, 2023	-	-	7.31	Based on Valuation considered by lenders for pledge invocation
Equity Shares	March 31, 2023	-	-	824.38	Based on Independent Valuation Report
Total financial assets		0.04	-	831.69	
Financial assets measured at fair value					
Investment in Current Investments -FVTPL					
Shares	March 31, 2022	0.04	-	-	Market Value of Shares
Equity Investments - FVTOCI					
Equity Shares	March 31, 2022	-	-	7.31	Based on Valuation considered by lenders for pledge invocation
Equity Shares	March 31, 2022	-	-	671.46	Based on Independent Valuation Report
Total financial assets		0.04	-	678.77	

In case of Investment in FTM which is carried at FVTOCI:

In the absence of data of FTM, the same cannot be fair valued and therefore the same is carried at its carrying value as per books although the said investment is being accounted on FVTOCI. Carrying value ₹ Nil as investment has been fully provided.

(ii) Valuation Details of Sofinter as per IND AS 113 “ Fair Value Measurements”

Current Year

The Group has received an investment proposal from an investor in Sofinter for a sale of stake of 57.5% holding at an aggregate value of Euro 12 Million. Considering the sale proposal, the Company has fair valued the stake in Sofinter through Other comprehensive Income as the said Sofinter was accounted as Fair Value Through Other Comprehensive Income. The Impact of the same is an amount of RS 698.00 crores as at March 31, 2023

Previous Year

Valuation Approach & Methodology:

For arriving at the fair value of equity of Sofinter S.p.A as of the Valuation Date, the valuer have considered following valuation approach & methodologies:

Approach Methodologies

Approach	Methodologies
Income Approach	Discounted Cash Flow Method ("DCF")
Market Approach Comparable	Comparable Companies Method ("CCM")

For the purpose of arriving at the concluded fair value of equity of Sofinter S.p.A, the valuer have considered the Income Approach. The CCM has been used for corroborative purpose only.

Inputs Used

Date	Key Inputs	Sofinter SpA	Itea SpA
March 31, 2022	Discount Rate	12.00%	12.00%
March 31, 2022	Terminal Growth Rate	2.00%	2.00%

Summary of Valuation

The fair value of equity of Sofinter S.p.A based on valuation approach and methodology discussed herein. The fair value of equity of Sofinter S.p.A as at different Valuation Date are as under:

Valuation Date	Equity Value (Euro '000)
31-Mar-22	1,17,500

Effects of Valuation on Other Comprehensive Income

Valuation Date	Carrying value of Investments
31-Mar-23	824.38
31-Mar-22	671.46

49 Financial Risk Management Objectives And Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

(a) Market Risk :

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Unhedge	March 31, 2023		March 31, 2022	
	Receivable	Payable	Receivable	Payable
USD - US Dollar	34,79,01,563	10,42,09,556	34,52,51,600	10,37,02,270
EUR - Euro	7,01,90,836	2,48,06,863	7,01,63,862	2,32,64,585
AED - UAE Dirham	1,14,905	-	1,14,905	-
ETB - Ethiopian Birr	4,18,10,175	48,53,733	4,18,10,175	48,53,733

Receivable :- As at March 31, 2023 is ₹ 3495.91 Crore and March 31, 2022 is ₹ 3217.65 Crore.

Payable :- As at March 31, 2023 is ₹ 1079.80 Crore and March 31, 2022 is ₹ 983.81 Crore

(b) Foreign currency sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.



1 % increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Increase/(decrease) in profit or loss	March 31, 2023		March 31, 2022	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD - US Dollar	(20.04)	20.04	(18.31)	18.31
EUR - Euro	(4.07)	4.07	(3.97)	3.97
AED - UAE Dirham	(0.00)	0.00	(0.00)	0.00
ETB - Ethiopian Birr	(0.06)	0.06	(0.05)	0.05

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact on the operating profits of the Company.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in inactive markets or inputs that are directly or indirectly observable in the market place.

(c) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 400.95 crore and ₹ 257.45 crore as of March 31, 2023 and March 31, 2022 respectively, unbilled revenue amounting to ₹ 776.97 crore and ₹ 882.77 crore as of March 31, 2023 and March 31, 2022, respectively. To manage this, the Company monitors whether the collections are made within the contractually established deadlines. In addition to this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

(d) Interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
March 31, 2023	Plus 100 basis point	(51.33)
	Minus 100 basis points	51.33
March 31, 2022	Plus 100 basis point	(54.08)
	Minus 100 basis points	54.08

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(e) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Current Assets of the Company

Particulars	March 31, 2023	March 31, 2022
Cash and Cash Equivalent	2.30	1.56
Bank Balance	4.26	14.23
Current Investments in mutual Funds and Shares	0.04	0.04
Inventory	503.00	874.12
Current Trade Receivable	31.05	55.37
Current Loans & Advances	8.37	62.62
Current Other Financial Assets	35.59	34.19
Other current assets	85.67	149.67
Total	670.28	1,191.80

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	Within One year	> One year	Total
As at March 31, 2023			
Long term Borrowing	-	103.00	103.00
Short term borrowings	153.35		153.35
Trade payables	151.98	22.85	174.83
Other financial liabilities	9,837.70		9,837.70
Total	10,143.02	125.85	10,268.87
As at March 31, 2022			
Long term Borrowing	-	-	-
Short term borrowings	572.13	-	572.13
Trade payables	176.51	23.21	199.72
Other financial liabilities	8,929.11	-	8,929.11
Total	9,677.75	23.21	9,700.95

(f) Competition Risk:

The Group is operating in a highly competitive environment with various Companies wanting a pie in the project whether in a cash contract or a BOT Contract. This invariably results in bidding for projects at low margins to maintain a steady flow of the projects to enable the group to retain the projects team and to maintain sustainable operations for the Company and the SPV's. The ability of the Company to build the infrastructure at a competitive price and the ability to start the tolling operations is very important factor in mitigating the competition risk for the group.

(g) Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators To mitigate this the group sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.

50 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.



The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	March 31, 2023	March 31, 2022
Gross Debt	5,235.94	5,433.67
Less:		
Cash and Cash Equivalent	2.30	1.56
Bank Balance	4.26	14.23
Marketable Securities -Liquid Mutual Funds and Equity Shares	0.04	0.04
Net debt (A)	5,229.34	5,417.84
Total Equity (B)	(8,167.84)	(6,496.51)
Gearing ratio (A/B)	-	-

51 The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.

52 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

53 Significant Accounting Judgments, Estimates And Assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods .

Judgments

In the process of applying the company’s accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an ‘AA’ rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

- 54** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2023.
- 55** In the opinion of the Board of Directors, all assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

As per our report of even date

For and on behalf of the Board of Directors

For Natvarlal Vepari & Company

Chartered Accountants

Firm Registration No. 107023W

Nuzhat Khan

Partner

M.No. 124960

Mumbai, Dated : October 28, 2023

Gammon India Limited

Anurag Choudhry

Chief Financial Officer

Sandeep Sheth

Executive Director

DIN No. 08781589

Soumendra Nath Sanyal

Audit Committee chairman

DIN No. 06485683

Ajit B. Desai

Chief Executive Officer

Niki Shingade

Company Secretary

M.No.ACS 19594



Statement A

Segment Reporting as per IND AS108 “ Operating Segments”

Particulars	Year Ended	
	31-Mar-23	31-Mar-22
	Audited	Audited
Segment Revenue		
External Turnover		
Real Estate Business	12.28	-
Construction & Engineering	102.77	27.85
Interest Expenses		
Real Estate Business	0.83	43.11
Construction & Engineering	964.52	827.44
Interest Income		-
Real Estate Business	0.01	-
Construction & Engineering	1.02	(1.34)
Segment Results - Profit Before Tax		-
Real Estate Business	14.47	(43.30)
Construction & Engineering	(922.12)	(1,135.98)
Profit Before Tax	(907.65)	(1,179.28)
Taxes	10.47	(1.23)
Profit after Tax	(897.18)	(1,180.51)
		-
Other Information		
Depreciation		
Real Estate Business	0.01	0.01
Construction & Engineering	2.21	3.69
Capital Expenditure		
Real Estate Business	0.05	0.06
Construction & Engineering	405.46	412.50
Segment Assets		-
Real Estate Business	590.11	981.11
Construction & Engineering	2,835.39	2,758.35
Segment Liabilities		-
Real Estate Business	536.71	973.51
Construction & Engineering	10,475.77	9,408.92

Statement B**Disclosure of transactions with Related Parties, as required by Indian Accounting Standard (Ind AS) - 24 “Related Party Disclosures”****A List of Related Parties****JOINT VENTURE**

- 1 Gammon OJSC Mosmetrostroy
- 2 Gammon SEW
- 3 Campo Puma Oriente S.A
- 4 Sofinter S.p.A
- 5 GIPL GIL Jv

Subsidiary

- 1 SAE Powerline s.r.l

ASSOCIATES

- 1 Finest S.p.A Italy
- 2 AJR Infra and Tolling Limited (Formely Gammon Infrastructure Projects Limited)

Entities Having Significant Influence

- 1 Franco Tosi Turbines Private Limited
- 2 Franco Tosi Meccanica S.p.A

Key Managerial Personnel

- 1 Mr. Anurag Choudhry (Chief Financial Officer)
- 2 Mr. Ajit B. Desai (Chief Executive Officer)
- 3 Mr. Sandeep Sheth (Executive Director)
- 4 Mrs. Niki Shingade

Independent Director

- 1 Mr. Soumendra Nath Sanyal
- 2 Mr. Ulhas Prabhakar Dharmadhikari
- 3 Mr. Vinath Hegde
- 4 Mr. Kashi Nath Chatterjee



Statement B

₹ In Crore

B	Nature of Transactions / relationship / major parties	Subsidiaries		Joint Ventures		Associate		Entities having Significant Influence		Key Managerial Personnel and their relative		Total	
		Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22
	Rent Income	-	-	-	-	0.01	0.01	-	-	-	-	0.01	0.01
	AJR Infra and Tolling Limited	-	-	-	-	0.01	0.01	-	-	-	-	0.01	0.01
	Other	-	-	-	-	-	-	-	-	-	-	-	-
	Reimbursement of expenses incurred by the Company	-	-	0.06	0.11	-	-	-	-	-	-	0.06	0.11
	Gammon SEW	-	-	0.06	0.11	-	-	-	-	-	-	0.06	0.11
	Other	-	-	-	-	-	-	-	-	-	-	-	-
	Reimbursement of expenses incurred on behalf of the Company	-	-	0.56	0.48	-	-	-	-	-	-	0.56	0.48
	Gammon SEW	-	-	0.56	0.48	-	-	-	-	-	-	0.56	0.48
	Other	-	-	-	-	-	-	-	-	-	-	-	-
	Fund Received for above Reimbursement	-	-	-	0.67	-	-	-	-	-	-	-	0.67
	Gammon SEW	-	-	-	0.67	-	-	-	-	-	-	-	0.67
	Other	-	-	-	-	-	-	-	-	-	-	-	-
	Share of Profit	-	-	0.30	0.43	-	-	-	-	-	-	0.30	0.43
	Gammon SEW	-	-	0.30	0.43	-	-	-	-	-	-	0.30	0.43
	Other	-	-	-	-	-	-	-	-	-	-	-	-
	Guarantees and Collaterals Outstanding	-	-	133.45	133.45	-	-	-	-	-	-	133.45	133.45
	Gammon OJSC Mosmetrostroy	-	-	133.45	133.45	-	-	-	-	-	-	133.45	133.45
	Other	-	-	-	-	-	-	-	-	-	-	-	-
	Key Managerial Personnel	-	-	-	-	-	-	-	-	2.07	1.73	2.07	1.73
	Short Term Benefit (Managerial Remuneration)	-	-	-	-	-	-	-	-	-	-	-	-
	Mr. Anurag Choudhry	-	-	-	-	-	-	-	-	0.54	0.54	0.54	0.54
	Mr. Ajit B. Desai	-	-	-	-	-	-	-	-	0.80	0.79	0.80	0.79
	Mr. Sandeep Sheth	-	-	-	-	-	-	-	-	0.52	0.20	0.52	0.20
	Nikki Shingade	-	-	-	-	-	-	-	-	0.20	0.20	0.20	0.20
		-	-	-	-	-	-	-	-	-	-	-	-

Statement B

₹ In Crore

B	Nature of Transactions / relationship / major parties	Subsidiaries		Joint Ventures		Associate		Entities having Significant Influence		Key Managerial Personnel and their relative		Total	
		Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22
	Post Employment benefit												
	Nikki Shingade									0.01	0.01	0.01	0.01
										-			-
	Director Sitting fees and Commission	-		-		-		-		0.09	0.06	0.09	0.06
		-		-		-		-		-			-
	S N Sanyal	-		-		-		-		0.02	0.02	0.02	0.02
		-		-		-		-		-			-
	Ulhas Dharmadhikari	-		-		-		-		0.02	0.02	0.02	0.02
		-		-		-		-		-			-
	Kashi Nath Chatterjee	-		-		-		-		0.02	0.01	0.02	0.01
		-		-		-		-		-			-
	Vinath Hegde	-		-		-		-		0.02	0.01	0.02	0.01
		-		-		-		-		-			-
	Loans & Advances	48.96	48.96	230.41	230.41	0.52	0.52	119.01	112.44	-		398.90	392.33
		-		-		-		-		-			-
	Campo Puma Oriente S.A.	-		230.41	230.41	-		-		-		230.41	230.41
		-		-		-		-		-			-
	SAE Powerline s.r.l	48.96	48.96	-		-		-		-		48.96	48.96
		-		-		-		-		-			-
	Franco Tosi Meccanica S.p.A	-		-		-		119.01	112.44	-		119.01	112.44
		-		-		-		-		-			-
	Other	-		-		0.52	0.52	-		-		0.52	0.52
	Provision made for doubtful debts	241.82	241.82	230.41	230.41	1.77	1.77	119.01	112.44	-		593.01	586.44
		-		-		-		-		-			-
	Franco Tosi Meccanica S.p.A	-		-		-		119.01	112.44	-		119.01	112.44
		-		-		-		-		-			-
	SAE Powerline s.r.l	241.82	241.82	-		-		-		-		241.82	241.82
		-		-		-		-		-			-
	Campo Puma Oriente S.A.	-		230.41	230.41	-		-		-		230.41	230.41
		-		-		-		-		-			-
	Other	-		-		1.77	1.77	-		-		1.77	1.77
	Interest Receivable	-		1.25	1.25	-		-		-		1.25	1.25
		-		-		-		-		-		-	-
	Fin Est S.p.A	-		1.25	1.25	-		-		-		1.25	1.25
		-		-		-		-		-		-	-
	Trade & Other Receivable	192.86	192.86	532.11	532.11	-		-		-		724.97	724.97
		-		-		-		-		-		-	-



Statement B

₹ In Crore

B	Nature of Transactions / relationship / major parties	Subsidiaries		Joint Ventures		Associate		Entities having Significant Influence		Key Managerial Personnel and their relative		Total	
		Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22	Mar 23	Mar 22
	SAE Powerline s.r.l	192.86	192.86									192.86	192.86
		-		-		-		-		-			-
	Gammon OJSC Mosmetrostroy	-		532.00	532.00	-		-		-		532.00	532.00
	Other	-		0.11	0.11	-		-		-		0.11	0.11
	Trade & Others Payable	-		9.51	8.88	0.46	0.47	-		-		9.97	9.35
		-		-		-		-		-		-	-
	Gammon OJSC Mosmetrostroy	-		6.90	7.07	-		-		-		6.90	7.07
		-		-		-		-		-			-
	Gammon SEW	-		2.61	1.81	-		-		-		2.61	1.81
	Other	-		-		0.46	0.47	-		-		0.46	0.47

Transactions pertaining to contract revenue and contract expenses with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

*One of the step down Subsidiary SAE Powerlines S.r.L. (Held through ATSL Holdings BV) has declared the bankruptcy in 2017 and filed for liquidation as per the laws of the land. Due to the aforementioned reasons the financials of the company are not available since December 2017. GIL has stopped consolidating the step down subsidiary in the previous year. GIL has provided for entire exposure in the net assets of the said step down subsidiary during the previous periods.

Statement-C

- 1 The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations

Rate for NCI Calculation

Particulars	ACB		DIPL	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non-current assets	36.10	36.36	3.04	2.73
Current assets	9.81	8.23	449.38	1,069.93
Non-current liabilities	(0.10)	(0.09)	(252.57)	(126.18)
Current liabilities	(88.20)	(85.8629)	(224.41)	(1,112.27)
Capital Contributions	(5.84)	(5.84)	-	-
Net assets	(48.23)	(47.22)	(24.55)	(165.79)
Net assets attributable to NCI	(12.83)	(12.56)	(7.24)	(48.87)
Revenue	2.28	0.18	12.28	-
Profit for the year	(1.03)	(0.16)	141.24	(43.29)
Profit/(Loss) allocated to NCI	(0.27)	(0.04)	41.63	(12.76)
Other comprehensive income	-	0.02	-	-
OCI allocated to NCI	-	0.00	-	-
Cash flow from operating activities	(2.58)	(0.64)	5.61	(209.70)
Cash flow from investing activities	1.42	0.31	-	0.01
Cash flow from financing activities	1.22	0.34	-4.75	209.69
Net increase/ (decrease) in cash and cash equivalents	0.06	0.01	0.86	(0.00)

Rate for NCI Calculation

Particulars	GRIPL		ATSLInfra	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non-current assets	0.03	0.03	-	-
Current assets	0.12	0.14	2.51	2.51
Non-current liabilities	(0.01)	(0.01)	-	-
Current liabilities	(0.12)	(0.12)	(2.52)	(2.51)
	-	-	-	-
Net assets	0.02	0.04	(0.01)	(0.00)
Net assets attributable to NCI	0.00	0.00	(0.00)	(0.00)
Revenue	-	-	-	-
Profit for the year	(0.02)	(0.01)	(0.00)	(0.01)
Profit/(Loss) allocated to NCI	(0.02)	-	(0.00)	(0.00)
Other comprehensive income	-	-	-	-
OCI allocated to NCI	-	-	-	-
Cash flow from operating activities	(0.02)	(0.01)	(0.00)	(0.00)
Cash flow from investing activities	-	-	-	-
Cash flow from financing activities	0.01	-	-	-
Net increase/ (decrease) in cash and cash equivalents	(0.00)	-	(0.00)	(0.00)



Statement-C

Particulars	PWS		METRO	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Non-current assets	5.77	5.78	90.28	97.18
Current assets	26.47	26.47	83.12	83.12
Non-current liabilities	(0.01)	(0.01)	(420.21)	(420.20)
Current liabilities	(68.88)	(68.88)	(157.22)	(173.76)
Net assets	(36.66)	(36.64)	(404.02)	(4.38)
Net assets attributable to NCI	(9.53)	(9.53)	(64.00)	(418.03)
Revenue	-	-	-	(66.22)
Profit for the year	(0.02)	(0.01)	9.63	-
Profit/(Loss) allocated to NCI	(0.01)	(0.00)	1.53	(0.02)
Other comprehensive income		-		(0.00)
OCI allocated to NCI	-	-	-	
Cash flow from operating activities	(0.00)	(0.01)	9.02	
Cash flow from investing activities	-	0.01	-	(0.14)
Cash flow from financing activities	-	-	(7.96)	(0.64)
Net increase/ (decrease) in cash and cash equivalents	(0.00)	-	1.06	(0.79)

Particulars	GRL	
	March 31, 2023	March 31, 2022
Non-current assets	18.23	18.23
Current assets	40.67	95.28
Non-current liabilities	(142.27)	(142.24)
Current liabilities	(8.23)	(8.46)
Capital Contributions	-	-
Net assets	(91.60)	(37.19)
Net assets attributable to NCI	(22.84)	(9.28)
Revenue	-	-
Profit for the year	(54.41)	(0.01)
Profit/(Loss) allocated to NCI	(13.55)	(0.00)
Other comprehensive income		-
OCI allocated to NCI	-	-
Cash flow from operating activities	(0.25)	0.23
Cash flow from investing activities	0.01	0.00
Cash flow from financing activities	0.00	-
Net increase/ (decrease) in cash and cash equivalents	(0.24)	0.23

Statement-C

2 Table below provide summarised financial information for Joint venture

Particulars	GSEW	
	90%	
	March 31, 2023	March 31, 2022
Non-current assets	7.50	6.10
Current assets		
Cash and Cash equivalents	0.22	0.55
- Other assets	3.92	7.19
Current assets	4.14	7.74
Non-current liabilities		
- Financial liabilities (excluding trade payables, other payables and provisions)	5.74	4.75
- Other liabilities	0.07	1.49
Non-current liabilities	5.81	6.24
Current liabilities		
- Financial liabilities (excluding trade payables , other payables and provisions)	5.52	7.01
- Other liabilities	0.14	0.25
Current liabilities	5.65	7.25
Net assets	0.18	0.10
Group share of net assets	0.17	0.09
Revenue	13.03	19.16
Interest Income	1.42	0.00
Depreciation and amortisation	-	-
Finance cost	0.03	0.00
Profit/ (Loss) for the year before tax	1.08	0.72
Income tax expenses	0.24	0.25
Profit/ (Loss) for the year	0.84	0.47
Other comprehensive income	-	-
Total comprehensive income	0.84	0.47
Group share of profit/ (Loss)	0.76	0.43
Group share of OCI	-	-
Group share of total comprehensive income	-	-

3 Table below provide summarised financial information for Associates *

GOMCHN / OJSC - In the absence of financial statements of the company no effects are taken in financial statements and therefore no details are given above



GAMMON INDIA LIMITED

Statement D- Disclosure as required under schedule III of the Companies Act, 2013 (Refer note no.47)

Entity wise disclosure of breakup of net assets and profit after tax

(Rs in Crores)

Sr. No.	Particulars	As at March 31, 2023				As at March 31, 2022			
		Net Assets		Share in Profit or Loss		Net Assets		Share in Profit or Loss	
		As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
	Holding Company:								
1	GIL	48.92%	(4,032.10)	130.43%	(1,208.41)	33.10%	(2,174.87)	83.37%	(973.67)
2	Subsidiaries:								
3	ACB	0.96%	(79.22)	0.08%	(0.76)	1.19%	(78.47)	(0.03%)	0.40
4	ATSLBV	3.21%	(264.81)	(0.02%)	0.17	3.70%	(243.32)	1.21%	(14.13)
5	ATSLInfra	0.00%	(0.03)	0.00%	(0.00)	0.00%	(0.03)	0.00%	(0.00)
6	ATSLNigeria	0.04%	(3.47)	0.00%	-	0.05%	(3.47)	0.00%	-
7	DIPL	(0.62%)	50.95	(28.91%)	267.86	3.30%	(216.91)	2.61%	(30.53)
8	GACTEL	3.24%	(266.77)	(6.95%)	64.43	5.04%	(331.20)	1.68%	(19.68)
9	GBL	14.49%	(1,194.47)	(1.00%)	9.24	0.00%	-	0.00%	-
10	GHBV	0.23%	(18.78)	2.04%	(18.87)	16.89%	(1,110.11)	4.24%	(49.58)
11	GHM	9.23%	(761.00)	0.89%	(8.21)	1.29%	(84.74)	1.03%	(12.00)
12	GIBV	0.25%	(20.85)	(1.04%)	9.64	10.71%	(703.77)	5.01%	(58.48)
13	GIFZE	8.85%	(729.37)	0.00%	(0.01)	0.40%	(26.32)	(0.22%)	2.56
14	GPL	0.00%	(0.03)	0.00%	(0.01)	11.10%	(729.36)	0.00%	(0.00)
15	GRDL	0.00%	(0.01)	0.00%	(0.00)	0.00%	(0.02)	0.00%	(0.00)
16	GRIPL	1.00%	(82.73)	4.40%	(40.76)	0.00%	(0.00)	0.00%	(0.00)
17	GRL	(0.00%)	0.36	0.00%	(0.00)	0.64%	(41.97)	0.00%	(0.00)
18	GTL	0.00%	(0.24)	0.00%	-	-0.01%	0.36	0.00%	(0.00)
19	ISRL	4.29%	(353.82)	(0.87%)	8.11	0.00%	(0.23)	0.00%	-
20	METRO	2.30%	(189.47)	0.96%	(8.89)	5.51%	(361.93)	0.00%	(0.01)
21	PVEB	0.33%	(27.14)	0.00%	(0.02)	2.57%	(168.97)	1.13%	(13.16)
22	PWS	0.00%	-	0.00%	-	0.41%	(27.12)	0.00%	(0.01)
23	SAE	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Joint Ventures								
1	ACGB	(0.16%)	13.32	0.00%	-	(0.20%)	13.32	0.00%	-
2	GOMCHN / OJSC	0.03%	(2.49)	0.00%	-	0.04%	(2.49)	0.00%	-
3	GSEW	0.02%	(1.57)	0.00%	-	0.01%	(0.78)	(0.04%)	0.43
4	GGJV	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%	-
5	CAMPO	3.38%	(278.23)	0.00%	-	4.23%	(278.23)	0.00%	-
	Grand Total	100%	(8,241.95)	100%	(926.49)	100%	(6,570.62)	100%	(1,167.88)



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