

**Annexure - II**

**Format for disclosure of reasons for encumbrance**

(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)

Name of listed company	Gammon India Limited
Name of the recognized stock exchanges where the shares of the company are listed	BSE Limited National Stock Exchange of India Limited
Name of the promoter(s) / PACs whose shares have been Encumbered	<b>Promoter &amp; Promoter Group:-</b> 1. Mr. Abhijit Rajan 2. Pacific Energy Private Limited 3. Devyani Estate and Properties Private Limited 4. Nikhita Estate Developers Private limited 5. Ellora Organic Industries Private Limited
Total promoter shareholding in the listed company	<b>No. of shares -</b> 3,61,53,699 equity shares % of total share capital - 9.78%
Encumbered shares as a % of promoter shareholding	84.75%
Whether encumbered share is 50% or more of promoter Shareholding	YES / NO
Whether encumbered share is 20% or more of total share Capital	YES / NO

**Details of all the existing events/ agreements pertaining to encumbrance**

	<b>Encumbrance 1 (Date of creation of encumbrance: -27<sup>th</sup> June, 2013)</b>	<b>Encumbrance 2 (Date of creation of encumbrance: Unattested Share Pledge Agreement dated 24<sup>th</sup> September 2013)</b>	<b>Encumbrance 3 (Date of creation of encumbrance: Unattested Share Pledge Agreement 29<sup>th</sup> June 2017)</b>
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)	Pledge	Pledge	Pledge
No. and % of shares encumbered as on 30 <sup>th</sup> September, 2019	No. of shares: 50,00,000 equity shares % of total share capital: 1.35%	No. of shares: 3,11,53,699 equity shares % of total share capital: 8.42%	No. of shares: 3,11,53,699 equity shares % of total share capital: 8.42%
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X) Kent Resorts Pvt. Ltd	IDBI Trusteeship Services Limited acting as a security trustee on behalf of the following CDR Lenders: 1. ICICI Bank Limited 2. Canara Bank 3. UCO Bank 4. Bank of Baroda 5. Syndicate Bank	The Promoters have extended the pledge of their pledged shares to secure the additional Bank Gaurantee Facility provided by the BG Facility Lenders <b>viz :</b> 1. ICICI Bank Limited 2. Canara Bank 3. UCO Bank 4. Syndicate Bank

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			6. Bank of Maharashtra 7. IDBI Bank 8. United Bank of India 9. Union Bank of India 10. Life Insurance Corporate of India 11. General Insurance Corporate of India 12. Central Bank of India 13. United India Insurance Company Limited 14. Allahabad Bank 15. Karnataka Bank 16. Indian Bank 17. Oriental Bank of Commerce 18. Punjab National Bank 19. DBS Bank	5. Bank of Maharashtra 6. IDBI Bank 7. Allahabad Bank 8. Oriental Bank of Commerce 9. Punjab National Bank 10. DBS Bank  The said pledge is a first ranking exclusive pari-passu charge in favour of the Security Trustee acting on behalf of the BG Facility Lenders
Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	YES/ NO. The pledger i.e. Kent Resorts Private Limited is a trading company.	YES/ No Pledge created in favour of IDBI Trusteeship Services Limited for the benefit of the CDR Lenders as mentioned above.  IDBI Trusteeship Services Limited provides trusteeship services. The Company offers debenture and bond trustee, management of private trust, facility and escrow agent, safe keeping, and other related financial services. IDBI Trusteeship Services serves customers in India.	YES/ NO Pledge created in favour of IDBI Trusteeship Services Limited for the benefit of BG Facility Lenders.  IDBI Trusteeship Services Limited provides trusteeship services. The Company offers debenture and bond trustee, management of private trust, facility and escrow agent, safe keeping, and other related financial services. IDBI Trusteeship Services serves customers in India.	

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	Names of all other entities in the agreement	The pledge was created by Pacific Energy Private Limited (Promoter group entity) in favour of Kent Resorts Private Limited as security for due repayment of Intercompany deposit availed by Pacific Energy Private Limited.	The Pledge Agreement was executed between the Company (Borrower), IDBI Trusteeship Services Limited (pledgee of the shares) and each of the Promoter and Promoter group Company ("Pledgors") i.e. 1. Mr. Abhijit Rajan 2. Pacific Energy Private Limited 3. Devyani Estate and Properties Private Limited 4. Nikhita Estate Developers Private limited 5. Ellora Organic Industries Private Limited	The Pledge Agreement was executed between the Company, IDBI Trusteeship Services Limited (pledgee of the shares) and each of the Promoter and Promoter group Company ("Pledgors") i.e. 1. Mr. Abhijit Rajan 2. Pacific Energy Private Limited 3. Devyani Estate and Properties Private Limited 4. Nikhita Estate Developers Private limited 5. Ellora Organic Industries Private Limited
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES / NO	YES / NO The pledge of shares by Promoter and Promoter group is as a collateral security <i>paripassu</i> with all the CDR lenders to secure the restructured debt of GIL <b>which also includes privately placed Non-Convertible Debentures with the CDR Lenders</b>  If yes, 1. <b>Name of the issuer</b> Gammon India Limited and  2. <b>Details of the debt instrument</b> Non convertible Debentures of Rs. 324 crores (Rupees Three Hundred and Twenty Four	YES / NO



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		<p>Crores) which was restructured under the CDR Package</p> <p><b>ii) Amount outstanding as on 31<sup>st</sup> March 2018</b> Rs. 289.79 crores</p> <p><b>iii) Names of NCD Holders ;</b></p> <ol style="list-style-type: none"> <li>a. LIC</li> <li>b. GIC</li> <li>c. Central Bank of India</li> <li>d. United India Insurance</li> <li>e. Allahabad Bank</li> <li>f. Karnataka Bank</li> <li>g. Indian Bank</li> <li>h. Bank of Maharashtra</li> <li>i. Oriental Bank of Commerce</li> </ol> <p><b>iv) Repayment Schedule</b> Repayable in 31 quarterly installments commencing from 1<sup>st</sup> April, 2015 and ending on 15<sup>th</sup> October, 2022.</p> <p><b>3. Whether the debt instrument is listed on stock exchanges?</b> Yes – The National Stock Exchange of India Limited</p> <p><b>4. Credit Rating of the debt instrument</b></p>	
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			No credit rating since the debts are restructured under the CDR Package	
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	50,00,000 equity shares of par value of Rs. 2 each totaling to Rs. 100,00,000. Market Value : Rs. 790,00,000	3,11,53,699 equity shares of par value of Rs. 2 each totaling to Rs. 6,23,07,398 Market Value: Rs. 37,07,29,018	3,11,53,699 equity shares of par value of Rs. 2 each totaling to Rs. 6,23,07,398 Market Value: Rs. 28,50,56,346
	Amount involved (against which shares have been encumbered) (B)	Rs. 6 crores. The above amount was borrowed by Pacific Energy Private Limited as ICD @ 14% p.a. against pledge of 50 lacs shares of GIL.	The Pledge of shares by the promoter and promoter group <b>is a collateral security</b> to secure the Total outstanding CDR Debt of Rs. 4263 crores which also includes the additional BG facility details of which are provided in encumbrance 3 column.	
	Ratio of A / B		-	-
End use of money	Borrowed amount to be utilized for what purpose (a) Personal use by promoters and PACs  (b) For the benefit of listed company  Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.	a) Nil  b) The amount borrowed by Pacific Energy Private Limited was paid to Gammon India Limited as "Promoter Contribution" pursuant to the CDR Package of GIL.	a) Nil  b) GIL's borrowing which included Term Loans, Funded Interest Term Loan, Non Convertible Debentures, Priority Loan and Working Capital was utilized for business operations. The outstanding CDR debt is Rs. 4263 crores which became NPA in June 2017.  The Company has offered a repayment proposal to	a) Nil  b) The Non Fund Based facility viz: Bank Guarantee facility extended to GIL by the lenders has been used by Gammon India Limited for the purpose of its business i.e for claiming 75% of the arbitration awards won by the Company .

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			the lenders which is under consideration	
	(c) Any other reason (please specify)	c) Nil	c) Nil	c) Nil



**Abhijit Rajan**  
**Promoter**