



# GAMMON INDIA LIMITED

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

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## NOTICE

**NOTICE** is hereby given that an Extra Ordinary General Meeting of the Members of Gammon India Limited will be held on Friday, 23<sup>rd</sup> October, 2009, at 11.30 A.M. at the Registered Office of the Company situated at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai – 400 025, Maharashtra to transact the following business:

### **ITEM 1: Issue of Securities to Qualified Institutional Buyers:**

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

- (a) “RESOLVED THAT in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter referred to as the “Act”) and subject to the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the “Regulations”/ “SEBI Regulations”), the provisions of the Foreign Exchange Management Act, 1999 (including any amendments thereto or re-enactment thereof, for the time being in force), applicable rules, regulations, guidelines or laws and/or any consent, permission or sanction of the Government of India, Reserve Bank of India, Foreign Investment Promotion Board, Secretariat of Industrial Approvals and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the “appropriate authorities”) and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any Committee constituted for the time being thereof), the consent and approval of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to issue, offer and allot equity shares/non convertible debt instruments along with warrants and convertible securities other than warrants, which are convertible into or exchangeable with equity shares on such date as may be determined by the Board not later than 60 months from the date of allotment (collectively referred to as “Securities”), to the Qualified Institutional Buyers (QIBs) as per the SEBI Regulations, on the basis of placement document(s), at such time or times in one or more tranche or tranches, at such price being not less than the price determined in accordance with the pricing formula under the SEBI Regulations and on such terms and conditions and in such manner as the Board may, in its absolute discretion determine in consultation with the Merchant Bankers, Advisors or other intermediaries, provided that the aggregate issue amount of Securities shall not exceed USD 200,000,000 (USD 200 Million only) inclusive of such premium payable on the Securities;
- (b) RESOLVED FURTHER THAT in accordance with regulation 86(1)(a) of the SEBI Regulations for time being in force, a minimum of 10% of the Securities issued pursuant to the said Regulation shall be allotted to mutual funds and if no mutual fund is agreeable to take up the minimum portion or part thereof, then such minimum portion or part thereof may be allotted to other Qualified Institutional Buyers;
- (c) RESOLVED FURTHER THAT the “relevant date” for determining the pricing in accordance with the provisions of Chapter VIII of the SEBI Regulations shall mean:
  - i in case of allotment of equity shares, the date of the meeting in which the Board of Directors or the committee of directors duly authorised by the Board of Directors of the Company decides to open the proposed issue,
  - ii In case of allotment of securities other than equity shares, at the discretion of the Board, the date shall be either the date of the meeting in which the Board of Directors or the committee of directors duly authorised by the Board of Directors of the Company decides to open the issue of such convertible securities or the date on which the holder of such securities other than equity shares become entitled to apply for the equity shares.

- (d) RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Securities as may be required to be issued and allotted as referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such equity shares or underlying equity shares arising on conversion shall rank *pari passu* with the then existing equity shares of the Company in all respects, as may be provided under the terms of the issue and in the placement document(s);
- (e) RESOLVED FURTHER THAT the number and/or conversion price in relation to equity shares that may be issued and allotted on conversion, if any, of the Securities that may be issued through the "Qualified Institutional Placement" in accordance with the SEBI Regulations as mentioned above shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, amalgamation, transfer of undertaking, sale of division or capital restructuring of the Company;
- (f) RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities as described in paragraph (a) above, the Board be and is hereby authorised on behalf of the Company to enter into and execute all such arrangements/agreements as may be required for appointing merchant bankers, guarantors, escrow banks, custodians, stabilizing agents, underwriters, financial and/or legal advisors, tax advisors, consultants, principal paying/ transfer/ conversion agents, listing agents, registrars, trustees and all such agencies as may be involved or concerned in such offering of securities, whether in India or abroad, and to remunerate all such agencies including the payment of commission, brokerage, fees or the like as may be involved or connected in such offerings of Securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit;
- (g) RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Securities and utilization of the issue proceeds including but without limitation to the creation of such mortgage/charge under Section 293(1)(a) of the Act in respect of the aforesaid Securities whether on *pari passu* basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit;
- (h) RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Committee of Directors or the Chairman or any other Officers/ Authorised Representatives of the Company to give effect to this resolution and to take such steps and to do all such acts, deeds, matters and things and accept any alteration(s) or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to the issue and allotment of equity shares and /or Securities but not limited to:
- i Finalizing and approving the placement document and filing the same with any authority or persons as may be required;
  - ii Decide the date for opening and closing of the issue of Securities;
  - iii Approving the issue price, the number of Securities and/or equity shares to be allotted, the basis of allocation and allotment of Securities or equity shares;
  - iv Determining the form and manner of the issue, including the class of Investors to whom the Securities to be issued and allotted, number of Securities, if any, rate of interest, additional interest, creation of mortgage/charge in accordance with Section 293(1)(a) of the Act, premium on redemption, prepayment or any other debt service payments;
  - v Arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Securities and/ or equity shares by the Company;
  - vi Opening a separate special account with a scheduled bank to receive monies in respect of the issue of the Securities and/or equity shares of the Company;
  - vii Making applications for listing of the Securities and/or equity shares of the Company on one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
  - viii Any other work on behalf of the Board which may be required in connection with the proposed

offering, including but not limited to, filing applications for in-principle and final approval with the stock exchange(s), giving undertaking(s), signing and executing such documents/agreements;

- ix Making such applications to the relevant authorities and making necessary regulatory filings in connection with the issue; and
  - x Affixing the Common Seal of the Company on any agreement(s)/documents as may be required to be executed in connection with the above in accordance with the Articles of Association of the Company.
- (i) RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary for giving effect to this resolution, whether incidental or ancillary thereto.”

**ITEM 2: Increase/variation in remuneration of Executive Director:**

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT in partial modification of the resolution passed at the 86th Annual General Meeting held on 25th September, 2008 and pursuant to the provisions of Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII thereto, the Company hereby approves of the changes in the terms and conditions of appointment (including increase/variation in remuneration) of Mr. Himanshu Parikh, Executive Director of the Company with effect from 9th July, 2009 for the remainder of his tenure as set out in the draft Supplemental Agreement to be entered into between the Company and Mr. Parikh, a copy of which initialed by the Chairman for the purpose of identification is placed before this meeting, which Supplemental Agreement is hereby approved with specific authority to the Board of Directors of the Company (hereinafter referred to as “the Board”), to alter and vary the terms and conditions including the remuneration or any amendment thereto as may be agreed to between the Board and Mr. Parikh;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this resolution.”

By Order of the Board of Directors  
For **GAMMON INDIA LIMITED**

Place : Mumbai

Date : September 26, 2009

**GITA BADE**  
**COMPANY SECRETARY**

**Notes:**

01. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY MUST REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS PRIOR TO THE TIME OF HOLDING OF THE EXTRA ORDINARY GENERAL MEETING.**
02. An explanatory statement u/s 173 (2) of the Companies Act, 1956 detailing material facts is annexed hereto and forms part of the notice.
03. All documents referred to in accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company during office hours except Saturdays, Sundays and public holidays between 3.00 p.m. to 5.00 p.m. upto the date of the Meeting.
04. Members/Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID for easy identification.
05. Members desirous of getting any information on any items of business of this meeting are requested to address their queries to Ms. Gita Bade, Company Secretary at the Registered Office of the Company at least ten days prior to the date of the meeting, so that the information required can be made available at the meeting.

## **Annexure to the Notice**

### **EXPLANATORY STATEMENT**

**{Pursuant to section 173(2) of the Companies Act, 1956}**

#### **ITEM 1 - Issue of Securities to Qualified Institutional Buyers:**

With a view to augment long term financial resources for funding its growth, acquisition plans, meeting working capital requirements, funding capital requirements of the group including subsidiaries/associate companies of the Company and for general corporate purposes, the Company proposes to raise an amount not exceeding USD 200,000,000 (USD 200 Million Only) inclusive of premium on Securities in the course of Domestic/International offerings pursuant to Chapter VIII of the SEBI Regulations. The conversion of the Securities held by foreign investors, into shares would be subject to applicable foreign investment cap.

The proposed Special Resolution seeks the enabling authorization of the Members of the Company to the Board of Directors, without the need of any further approval from the Members, to undertake Qualified Institutional Placement with the Qualified Institutional Buyers, in accordance with the provisions of Chapter VIII of the SEBI Regulations.

Pursuant to above the Board may, in one or more tranches, issue and allot equity shares/non convertible debt instruments along with warrants and convertible securities other than warrants, which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment.

The said Qualified Institutional Placement by the Board shall be subject to the provisions of the SEBI Regulations (as amended from time to time) including the pricing, which will not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. Relevant Date for determining the pricing in accordance with the provisions of Chapter VIII of the SEBI Regulations shall mean:

- i In case of allotment of equity shares, the date of the meeting in which the Board of Directors or the committee of directors duly authorised by the Board of Directors of the Company decides to open the proposed issue;
- ii In case of allotment of securities other than equity shares, at the discretion of the Board, either the date of the meeting in which the Board of Directors or the committee of directors duly authorised by the Board of Directors of the Company decides to open the issue of such convertible securities or the date on which the holder of such securities other than equity shares become entitled to apply for the equity shares.

For the reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The Securities issued pursuant to the offering would be listed on the stock exchanges.

The Special Resolution as set out, if passed, will have effect of allowing the Board to issue and allot Securities to investors, who may or may not be existing shareholders of the Company in the manner set out in the resolution. The said resolution also enable the Board to create mortgage/charge on the property/assets of the Company in respect of any debt instruments offered by the Company.

The Board of Directors accordingly recommends the resolution set out in Item No. 1 as Special Resolution.

None of the Directors of the Company are, in any way, concerned or interested in the said resolution, except to the extent of their shareholding.

## **ITEM 2: Increase/variation in remuneration of Executive Director:**

Members may recall that Mr. Himanshu Parikh was re-appointed as an Executive Director of the Company for a period of 5 years, w.e.f 1st May, 2008, at the 86th Annual General Meeting held on 25th September, 2008. Mr. Parikh has vast experience in general management and looks after various functions of the Company such as purchase, commercial, E.D.P., etc. Considering the increase in responsibilities entrusted to him and in accordance with remuneration levels paid to similar senior management personnel in comparable industries, the Board at its meeting held on 25th September, 2009, subject to shareholders approval, decided to revise/vary the remuneration payable to Mr. Himanshu Parikh w.e.f. 9th July, 2009 for the remainder of his tenure.

The material terms of the draft Supplemental Agreement pertaining to the revision/variation in the remuneration of Mr. Himanshu Parikh as Executive Director are as follows:

### **I. Remuneration**

- (i) Salary : In the scale of Rs. 3,00,000/- per month to Rs. 10,00,000/- per month with authority to the Board to fix the salary within the scale from time to time. The increment within the scale will be merit based and take into account the Company's performance.
- (ii) Commission : An amount by way of commission, payable annually in addition to the salary, calculated with reference to the net profits of the Company in a particular financial year, at the absolute discretion of and as may be determined by the Board of Directors at the end of each financial year.
- (iii) Perquisites : Subject to the limits contained in Part II of Schedule XIII of the Companies Act, 1956, Perquisites shall be payable as set out in Parts A, B and C as applicable.

### **PART A:**

- i. The Executive Director shall also be entitled to perquisites like furnished/unfurnished accommodation or H.R.A., gas, electricity, water, medical re-imbursment and leave travel concession for self and family, club fees, personal accident insurance etc. and such other allowances in accordance with the rules of the Company.
- ii Valuation of perquisites shall be done as per the Income-Tax rules, wherever applicable.

### **PART B:**

- i. Contribution to the Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.
- ii Gratuity not exceeding half a month's salary for each completed year of service subject to a maximum limit as specified in Payment of Gratuity Act, 1972.

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

### **PART C:**

#### **Car & Telephone:**

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

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

Save and except for the variation in remuneration as set out above, all other terms and conditions of appointment of Mr. Parikh as contained in the Principal Agreement remain unchanged.

This may be treated as an abstract of the variation of the terms of Agreement between the Company and the Executive Director pursuant to Section 302 of the Companies Act, 1956.

The draft of the Supplemental Agreement proposed to be entered into by the Company with Mr. Himanshu Parikh is available for inspection by the Shareholders at the Registered Office of the Company on any working day except public holidays, Saturdays and Sundays between 3.00 p.m. and 5.00 p.m. upto the date of the ensuing Extra Ordinary General Meeting.

Except Mr. Himanshu Parikh, no other Director of the Company is concerned or interested in the said resolution.

Your Directors recommend the passing of the Ordinary Resolution at Item No.2 of the Notice.

By Order of the Board of Directors  
For **GAMMON INDIA LIMITED**

Place: Mumbai

Date: September 26, 2009

**GITA BADE**  
**COMPANY SECRETARY**



# GAMMON INDIA LIMITED

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

## PROXY FORM

Regd. Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

\*DP ID \_\_\_\_\_ \*Client ID \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member / members of GAMMON INDIA LIMITED hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_

or failing him / her \_\_\_\_\_ of \_\_\_\_\_

as my / our proxy to vote for me / us on my / our behalf at the **EXTRA-ORDINARY GENERAL MEETING** of the Company to be held on Friday, 23<sup>rd</sup> October, 2009, at 11.30 A.M. at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 and at any adjournment thereof.

Affix  
1 Rupee  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2009 Signature \_\_\_\_\_

**Notes** : The form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.

\* Applicable for shareholders holding shares in electronic form.

Tear Here



Tear Here



# GAMMON INDIA LIMITED

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

## ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

### EXTRA-ORDINARY GENERAL MEETING - OCTOBER 23, 2009 (FRIDAY)

I hereby record my presence at the **EXTRA-ORDINARY GENERAL MEETING** of the Company to be held at the Registered Office, situated at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025 on Friday, **23<sup>rd</sup> October, 2009**, at 11.30 A.M.

Full name of the Member : \_\_\_\_\_  
(in BLOCK LETTERS)

Reg. Folio No. : \_\_\_\_\_

DP . ID \* : \_\_\_\_\_ Client ID \* : \_\_\_\_\_

No. of Shares : \_\_\_\_\_

Full Name of Shareholder/Proxy : \_\_\_\_\_  
(in BLOCK LETTERS)

I/We hereby certify that I am/We are Member(s)/Proxy of the Members of the Company holding \_\_\_\_\_ shares

Member's/Proxy's Signature : \_\_\_\_\_



**Book Post  
(Under Certificate of Posting)**



*If undelivered, please return to:*

**GAMMON INDIA LIMITED**

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