



Restructuring

for better times

GAMMON INFRASTRUCTURE
PROJECTS LIMITED

ANNUAL REPORT 2020

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RESTRUCTURING FOR BETTER TIMES

FY2020 was a challenging year for Gammon Infrastructure Projects Limited (GIPL). However, in the face of these obstacles, we have remained strong in our resolve and continue to function to the best of our abilities.

During the year, delays in the execution of our infrastructure projects led to cost over-runs, while two of our operating companies are in the state of insolvency. Despite these hurdles, our management is continuously working towards minimising its impact on our ability to create value in the long-term. To achieve this objective, we are also working towards resolving pending issues at the group and SPV levels.

In FY2020, the emergence of COVID-19 posed to be another threat to the function of the economies across the world. It has significantly impacted the fragility of human life and business environments. However, we expect that by focusing on our operational efficiency and implementing prudent cost control across all our business functions, we will remain relatively undeterred on our path to achieving our long-term goals.

At GIPL, we are RESTRUCTURING FOR BETTER TIMES. We are transforming ourselves into a resilient company. We have set our undeterred focus on the efficient execution and resolution of our ongoing projects to realise the values and potential that we hold. We are also proactively exploring various ways to capitalise on the new growth opportunities that the industry has to offer. Through our carefully devised business strategies, our goal is to chart a future course of growth, and deliver sustainable and long-term value to all our stakeholders. Through the consistency and perseverance of our efforts, we are optimistic in our ability to face these challenges.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Kishore Kumar Mohanty

Managing Director
upto December 27, 2019

Mr. Chayan Bhattacharjee

Whole Time Director
appointed on December 15, 2019

Ms. Homai Daruwalla

Independent Director

Mr. Mahendra Kumar Agrawala

Independent Director

Mr. Jaysingh Ashar

Non-Executive Director
appointed on February 13, 2020

Mr. Vinod Sahai

Independent Director
appointed on July 31, 2020

Mr. Sunilbhai Chhabaria

Independent Director
appointed on July 31, 2020

AUDITORS

M/s. Nayan Parikh & Co.

Chartered Accountants

INTERNAL AUDITOR

M/s. Nitin H. Rajda & Co.

Chartered Accountant

Mr. Naresh Sasanwar

Chief Financial Officer

Mr. Kaushal Shah

Company Secretary & Compliance
Officer

Registered Office

Orbit Plaza CHS Limited, 5th Floor,
952/954 New Prabhadevi Road,
Prabhadevi, Mumbai – 400 025
Telephone: +91 22 6748 7200
Fax: +91 22 6748 7201
Website: www.gammoninfra.com

Registrar and Share

Transfer Agent

Link Intime India Private Limited,

C-101, 247 Park, L. B. S. Marg,
Gandhi Nagar, Vikhroli West,
Mumbai – 400 083

Tel. No.: 022-4918 6000

Fax No.: 022-4918 6060

BOARD OF DIRECTORS



Mr. Kishore Kumar Mohanty
Managing Director

An engineer with an MBA degree in Finance & Marketing from XIM (Bhubaneswar) and AMP from Harvard Business School, Boston with over three decades of managerial experience in various capacities.



Mr. Chayan Bhattacharjee
Whole Time Director

He has done Diploma in Financial Management from Mumbai University and is a Civil Engineer with rich experience in Civil EPC Business in various sectors such as bridges, roads, cooling tower and chimneys, irrigation and pipelines.



Ms. Homai Daruwalla
Independent Director

A Chartered Accountant with over three decades of experience in the banking sector. She is the Chairperson of Nomination & Remuneration Committee



Mr. Mahendra Kumar Agrawala
Independent Director

A Chartered Accountant with over three decades of experience in the field of Auditing, Income Tax, Company Law matter, Project & Management consultancy. He is the Chairman of the Audit Committee and Stakeholders Relationship Committee.



Mr. Jaysingh Ashar
Non-Executive Director

Mr. Ashar is a fellow with Institute of Engineers (India), Indian Institute of Technical Arbitration and Indian Council of Arbitration. He has over 40 years of experience in various civil engineering fields which include design & execution of high level prestressed concrete bridges, execution of multistoreyed buildings, contract administration, disputes resolution through alternative disputes resolution methods and arbitration and litigation related arbitration including execution of arbitral awards etc.



Mr. Vinod Sahai
Independent Director

A degree-holder from Politecnico di Torino, Italy and Masters in Mechanical Engineering from IIT, Kharagpur, India, he has around 5 decades of international experience in field of construction, joint ventures, developing market chains and production units.



Mr. Sunilbhai Chhabaria
Independent Director

He is Law Graduate and MBA in Marketing. He is a member with Bar Council of Gujarat as a practicing lawyer at Gujarat High Court specialization in land laws, Commercial litigation, taxation and such other related matters having experience of about 15 years. He has earlier served as Civil Judge, First Class at Gujarat.

COMPANY AT A GLANCE

Gammon Infrastructure Projects Limited is a pan-India infrastructure project development company with a diverse portfolio across the road, power and port sectors. The Company derives its strength from its multi-segment presence in the infrastructure sector, and its two decadal experience and technical expertise.

OFFERINGS

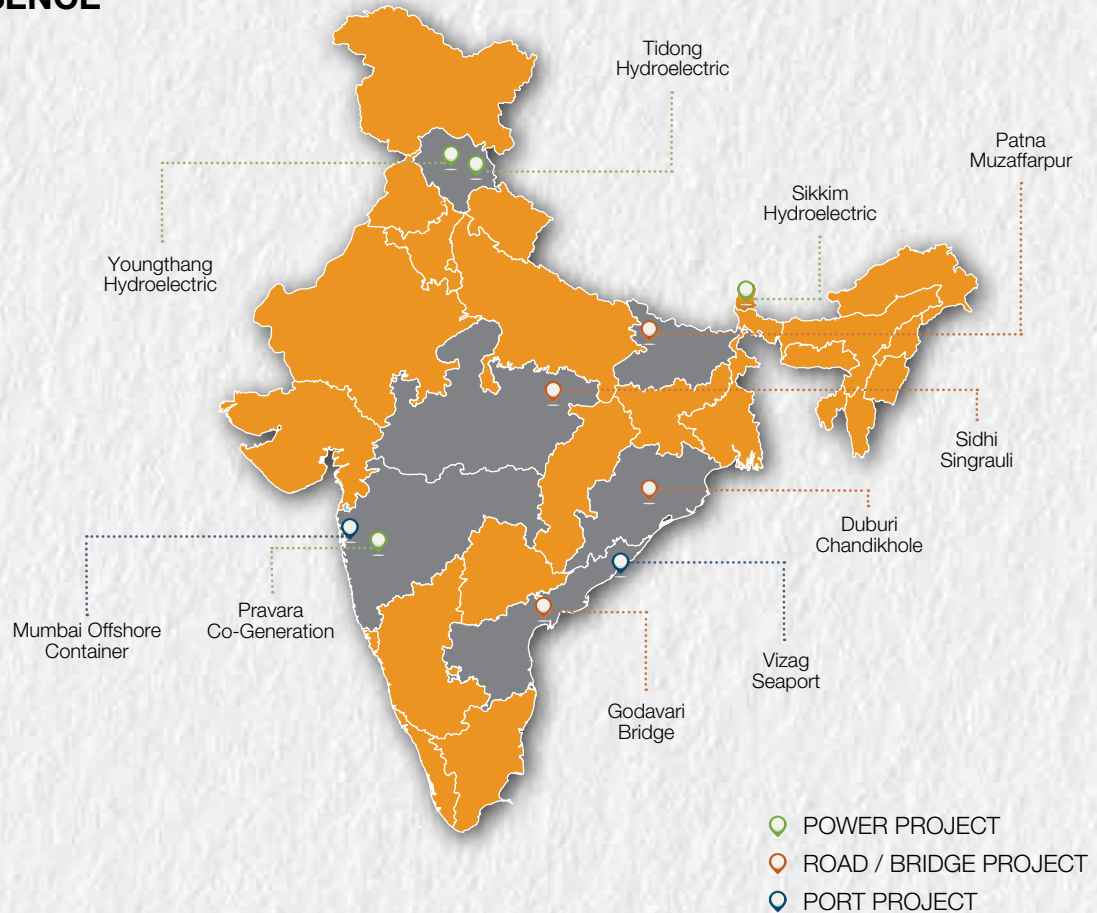
The Company has a well strategised business model with presence in the following areas of infrastructure development.

Participation in projects based on BOT, BOOT, BOO, EPC and other PPP models.



Provides services in areas of project development including operations & maintenance and project advisory services.

OUR PAN INDIA PRESENCE



PORTFOLIO

The current portfolio of the Company (after the divestment of 6 projects – 5 operational and 1 under development) comprises of 4 operational assets and 6 projects under different stages of development. The Company's projects are spread across 7 states in India.

210 Team Size

19 Years of Experience

7 States Presence across India

MESSAGE FROM THE WHOLE TIME DIRECTOR



“ During FY2020, we have taken several initiatives to revive our performance, and restructure ourselves to become a more sustainable organisation. ”

Dear Shareholders,

It gives me great pleasure to present to you our Annual Report for FY2020. Our journey so far has come with its own set of hurdles, and key challenges surrounding our business continue to persist.

Apart from industry wide setbacks and headwinds such as a reverse labour migration, a liquidity crunch and supply chain challenges, delays in the execution of our infrastructure projects led to cost over-runs, while two of our operating companies are in the

state of insolvency. Moreover, the global economy as a whole has faced a major challenge due to the emergence of COVID-19 and the ensuing disruptions due to lockdowns.

Despite these testing times, I am confident that our core values and principles will give us significant strength to face the obstacles and improve our operational efficiencies to deliver healthy performance. We are trying to do everything possible to survive the hardships caused due to the external forces that are beyond the control of the Company. Our aim is to complete all our pending projects that has caused cost over-runs as soon as possible. We are also looking forward to resolving legal and other issues at the group and SPV levels, including the lending institutions.

During FY2020, we have taken several initiatives to revive our performance, and restructure ourselves to become a more sustainable organisation. We are actively planning to regain maximum strength amongst our management team, which will help us to devise strong business strategies. We are continuously exploring new business opportunities to elevate the organisational growth. We understand that the infrastructure

industry is the backbone of the Indian economy and continues to remain in the priority interests of the Government. We are confident that the Government of India will create enhanced scope for the players in the sector.

FY 2020 proved to be litmus test amidst a difficult industry environment, but we continued to leverage the emerging opportunities, powered by our intrinsic strengths and continue to survive in spite of all the difficulties faced by the Company.

The trust and confidence displayed by you, our valued shareholders, has always been a source of great strength to all in the Company. Our vision for the future will be to continue to strive hard to maximize our potential and to propel sustainable and purpose-driven growth. We also have an overarching commitment towards sustainable

value creation. We look forward to this support as your Company continues to seek and strive to do what is best for us and all our shareholders.

As we move ahead, I am hopeful that the Company will be able to explore and successfully execute new opportunities that come our way. I would like to thank our dedicated management team and skilled workforce for helping us succeed in sustaining our resilience. I am humbled by their lasting dedication and commitment to GIPL. I also express my sincere gratitude to my shareholders, suppliers, bankers, associates, financial institutions, and Central and State Governments for their patience.

Sincerely,

Chayan Bhattacharjee
Whole Time Director

“Going forward, I am hopeful that the Company will be able to explore and successfully execute new opportunities that come our way.”

DERIVING STABILITY BY BUILDING ON OUR COMPETENCIES



PROFICIENCY

The Company has over two decades of rich industry experience and expertise in infrastructural development.



ENDURING RELATIONSHIPS

The Company enjoys longstanding customer relationships marked by repeat engagement on account of strong execution capabilities.



SECTORAL PRESENCE

The Company has a diverse infrastructure presence across multiple business verticals. These include highways, bridges, power transmission and ports. This varied exposure de-risks the business from the risk of having a singular dependence on a sector.



FINANCIAL CAPABILITY

The Company has demonstrated a capability in achieving financial closure in its past projects.



PORTFOLIO

Company has the experience of executing more than 18 projects including 8 road projects, 3 bridge projects, 5 power projects and 2 port projects.



BUSINESS STRATEGY

The Company selects locations and projects enjoying attractive revenue visibility. This strategy has helped the Company to build a portfolio of assets, which generates assured and market driven returns.



AGILITY

The Company has the ability to respond swiftly to the emerging opportunities. This agility has been derived from the fact that it qualifies as per the norms of NHAI, other statutory corporations and government companies to bid for OMT and tolling projects, Port and Power Projects.



REACH

The Company is a service provider with a terrain experience of having executed infrastructure projects across Maharashtra, Andhra Pradesh, Uttar Pradesh, and Bihar, among others.



TRACK RECORD

The Company is a well-recognised player in the Indian Infrastructure space sector with a proven record of successful completion, operations, and efficient project execution (post all authoritative clearances).