

GAMMON INDIA LIMITED
Unaudited Financial Results for the Quarter and Half Year Ended 30-Sep-2012
(Rupees in Lacs)

S.No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30 Sep 2012	30 Jun 2012	30 Sep 2011	30 Sep 2012	30 Sep 2011	31 Mar 2012
1	Income from Operations						
	Net Sales / Income from Operations	1,08,618	1,26,215	1,10,172	2,34,833	2,49,220	5,53,312
2	Expenses						
	Cost of Material Consumed	46,289	68,595	47,501	1,14,884	1,08,341	2,39,552
	Purchases of Stock-in-trade	4,383	5,402	3,280	9,785	5,956	16,625
	Change in inventory of WIP and FG	(9,140)	(9,649)	(12,244)	(18,789)	(14,881)	(29,541)
	Subcontracting Expenses	28,227	23,720	30,907	51,947	67,279	1,38,821
	Employee Benefits Expenses	13,388	12,532	13,086	25,920	23,930	51,376
	Depreciation and Amortisation	2,801	2,637	2,527	5,438	5,080	10,199
	Other Expenses	19,270	18,669	18,693	37,939	37,787	91,585
	Total Expenses	1,05,218	1,21,906	1,03,750	2,27,124	2,33,492	5,18,617
3	Profit/(Loss) from Operations Before Other Income, Finance Costs	3,400	4,309	6,422	7,709	15,728	34,695
4	Interest & Other Income	3,390	3,282	3,412	6,672	5,928	15,722
5	Profit/(Loss) from Ordinary Activities Before Finance Costs and Forex Fluctuation	6,790	7,591	9,834	14,381	21,656	50,417
6	Finance Cost	10,442	9,505	8,518	19,947	15,773	36,342
7	Forex Fluctuation (Gain) / Loss	172	(138)	75	34	102	(1,485)
8	Exceptional / Prior Period Items	-	-	470	-	470	402
9	Profit Before Tax	(3,824)	(1,776)	771	(5,600)	5,311	15,158
10	Tax Expenses	120	185	358	305	2,004	6,454
11	Net Profit/(Loss) for the period	(3,944)	(1,961)	413	(5,905)	3,307	8,704
12	Paid-up Equity Share Capital (Face Value Rs.2/- per Equity Share)	2,750	2,750	2,749	2,750	2,749	2,750
13	Reserves, excluding Revaluation Reserve as per Audited Balance Sheet						1,98,831
14	Earning Per Share (Rupees)						
	Basic	(2.91)	(1.44)	0.31	(4.35)	2.44	6.52
	Diluted	(2.88)	(1.44)	0.30	(4.32)	2.42	6.48
15	Ratio						
	Debt Service Coverage Ratio(DSCR)*				0.22	3.07	3.33
	Interest Service Coverage Ratio (ISCR)**				0.99	1.68	1.71
A	Particulars of Shareholding						
1	Public Shareholding						
	- Number of Shares	8,86,18,314	8,87,68,314	9,22,94,873	8,86,18,314	9,22,94,873	8,91,43,314
	- Percentage of Shareholding	64.92%	65.03%	67.62%	64.92%	67.62%	65.31%
2	Promoters & Promoter Group Shareholding						
	Pledge/ Encumbered						
	- Number of Shares	2,45,75,000	1,15,75,000	78,75,000	2,45,75,000	78,75,000	1,15,75,000
	- Percentage of Shareholding	18.00%	8.48%	5.77%	18.00%	5.77%	8.48%
	Non-encumbered						
	- Number of Shares	2,33,07,154	3,61,57,154	3,63,11,875	2,33,07,154	3,63,11,875	3,57,82,154
	- Percentage of Shareholding	17.08%	26.49%	26.61%	17.08%	26.61%	26.21%
B	Investor Complaints						
	Pending at the beginning of the quarter	0					
	Received during the quarter	14					
	Disposed of during the quarter	14					
	Remaining unresolved at the end of the quarter	0					

* DSCR = (PAT+Depreciation+Interest on long term loans) / (Interest & Principal repayment of long term loans during the year)

** ISCR= (PBT+Depreciation+Gross Interest) / Interest expenses during the year


GAMMON INDIA LIMITED
An ISO 9001 Company

GAMMON HOUSE, VEER SAVARKAR MARG, P. O. BOX NO. 9129, PRABHADEVI, MUMBAI-400 025. INDIA.
 Telephone : 91- 22 - 6111 4000 • 2430 6761 • Fax : 91 - 22 - 2430 0221 • 2430 0529
 E-Mail : gammon@gammonindia.com • Website : www.gammonindia.com



**GAMMON****GAMMON INDIA LIMITED****Statement of Standalone Assets and Liabilities***(Rupees in Lacs)*


S.No.	Particulars	As At 30-Sep-2012	As At 31-Mar-2012
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	Share Capital	2,750	2,750
	Reserves and Surplus	2,17,403	2,22,448
		2,20,153	2,25,198
2	Non-Current Liabilities		
	Long Term Borrowings	40,961	46,917
	Deferred Tax Liabilities (Net)	6,839	6,719
	Other Long Term Liabilities	33,267	29,248
	Long Term Provisions	1,341	1,327
		82,408	84,211
3	Current Liabilities		
	Short Term Borrowings	2,68,900	2,23,706
	Trade Payables	1,53,482	1,46,528
	Other Current Liabilities	1,03,733	92,991
	Short Term Provisions	1,084	1,504
		5,27,199	4,64,729
	Total Equity and Liabilities	8,29,760	7,74,138
B	ASSETS		
1	Non-Current Assets		
	Fixed Assets (Net)	1,33,684	1,35,226
	Non-Current Investments	20,419	20,419
	Long Term Loans and Advances	1,20,925	1,07,814
	Long Term Trade Receivable	75,611	65,244
	Other Non-Current Assets	2,937	2,937
		3,53,576	3,31,640
2	Current Assets		
	Current Investments	453	453
	Inventories	1,96,340	1,80,852
	Trade Receivables	1,37,981	1,37,393
	Cash and Cash Equivalents	6,166	8,564
	Short Term Loan and Advances	97,444	91,980
	Other Current Assets	37,800	23,256
		4,76,184	4,42,498
	Total Assets	8,29,760	7,74,138



Notes:

1. The Financial Results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on 14th November, 2012 and have been subjected to limited review by the Statutory Auditors of the Company as required by Clause 41 of the listing agreement.
2. The above Financial results include share of Profit/(Loss) from the Company's Joint Venture in Oman. For the quarter, the profit/loss of the Joint Venture in Oman is as determined by the management which is relied upon by the auditors and has not been reviewed.
3. During the quarter, the Company has recognized revenue to the extent of Rs.4,100 Lac being the award from the arbitral tribunal received for its projects. The same along with the existing amounts of Rs.10,909 Lac are recognized under trade receivables where the Company has received arbitration awards in its favor.
4. For the year ended March 2012 & for the period ended September 2012, The statutory auditors of the Company have qualified their report on account of certain contingent liabilities of a joint venture amounting to Rs.837 Lac which in the opinion of the auditors of the Joint venture is more likely than not that Joint venture and consequently the company would be liable to incur the expenses. The management has filed an appeal in the higher courts and is confident that the contingent liability would not result in an obligation on the company since the Joint venture is very confident of the positive outcome of the same.
5. The Company's operations constitute a single business and geographical segment of "Construction & Engineering" as per Accounting Standard AS-17.
6. Corresponding figures of the previous period have been regrouped / rearranged wherever necessary.

For **Gammon India Limited**



Abhijit Rajan

Chairman & Managing Director

Mumbai, November 14th, 2012



Natvarlal Vepari & Co.
CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

Limited Review Report

Review Report to
The Board of Directors
Gammon India Limited

1. We have reviewed the accompanying statement of unaudited financial results of Gammon India Limited ("the Company") for the quarter and the six month period ended September 30, 2012 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We did not review the financial statements of Gammon India Limited – Nagpur Branch which was reviewed by the branch auditors whose reports have been received by us. Our opinion so far as transactions of the said Branches are concerned, is based solely on the limited review report of the Branch Auditors.
4. *Attention is invited to note no 5 of the explanatory notes to the financial results in respect of the Joint Venture in Oman. The statutory auditors of the Joint venture have qualified their report for the year ended 31st March 2012 that the Joint Venture has certain contingent liabilities amounting to OR 615637 (Rs.8.37 crores), which in their opinion, is more likely than not that the Joint venture would be liable to incur the expenses. The company in turn would be liable to make good the losses in the event such liabilities are accrued in the joint venture.*
5. Without qualifying our review report we re-iterate our emphasis of matter contained in our audit report dated August 14, 2012 on the financial statements for the year ended 31st March 2012 and further updation thereon relating to:

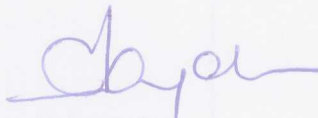


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- Note no 4 to the notes to the unaudited financial results relating to recognition of revenue during the quarter to the extent of 4100 lacs and also recoverability of an amount of Rs. 15009 lacs under trade receivables in respect of recognition of such contract revenue in the current period and previous years where the company has received arbitration awards in its favor in respect of which the client has preferred / likely to prefer an appeal for setting aside the said arbitration awards. The recoverability is dependent upon the final outcome of the appeals getting resolved in favor of the company.
 - Investments in one of the joint ventures of a wholly owned subsidiary which has applied for creditors' protection in a Court in Italy. The final outcome and the resultant investment would be dependent upon the approval of the courts to the composition scheme pending which no effects have been taken in these accounts.
 - Payment of remuneration to the managerial persons being in excess of the limits specified by the relevant provisions of Companies Act 1956 by Rs.2.87 Crores as on March 31, 2012. The company has sought shareholders' approval for the remuneration paid as the minimum remuneration and pursuant thereto is in the process of making an application to the central government in this regard for such excess payment of managerial remuneration. Pending the final outcome of the company's application no adjustments have been made in this regard.
6. Based on our review conducted as above *except for the effect of paragraph 4 regarding the Joint venture in Oman*, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm registration number:106971W



N Jayendran
Partner
M. No. 40441
Mumbai, Dated : November 14 , 2012

