



9th February, 2012

The National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (East),
Mumbai - 400 051

Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Sir,

Sub: Outcome of the Board Meeting held on 9th February, 2012.

As required under Clause 41 of the Listing Agreement, please find enclosed herewith Unaudited Financial Results (Provisional) of the Company for the third quarter ended 31st December, 2011 along with the Limited Review Report on the same.

The aforesaid results, duly reviewed by the Audit Committee, have been approved and taken on record by the Board of Directors at its Meeting held on 9th February, 2012.

Kindly take note of the same.

Thanking you,

**Yours faithfully,
FOR GAMMON INDIA LIMITED**


**GITA BADE
COMPANY SECRETARY**

Encl.: As above

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
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GAMMON INDIA LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2011

(Rupees in Lacs)

S.No.	Particulars	Three Month Ended 31.12.2011 (Unaudited)	Three Month Ended 30.09.2011 (Unaudited)	Three Month Ended 31.12.2010 (Unaudited)	Year to date for the period ended 31.12.2011 (Unaudited)	Year to date for the period ended 31.12.2010 (Unaudited)	Previous Accounting Year Ended 31.03.2011 (Audited)
1	Net Sales / Income from Operations	118,428	110,172	137,204	367,648	385,898	555,158
	Other Operating Income	41	1	165	42	327	639
2	Contract Expenditure & Establishment Cost	118,469	110,173	137,369	367,690	386,225	555,797
	Consumption of Materials	65,881	46,202	70,403	182,690	183,253	263,241
	(Increase) / Decrease in WIP & FG	(17,416)	(6,415)	(10,956)	(32,297)	(24,009)	(8,318)
	Subcontract and Other Cost	47,614	46,715	55,743	146,247	161,027	226,264
	Personnel Cost	10,882	12,099	8,769	32,671	27,272	40,334
	Depreciation & Amortisation	2,480	2,526	2,438	7,558	6,694	9,171
	Other Expenditure	1,977	1,832	2,293	6,881	6,356	7,079
	Total Expenditure	111,418	102,959	128,690	343,750	360,593	537,771
	Company's Share in Profit/ (Loss) of JV	12	(214)	(272)	(202)	(772)	(983)
3	Profit from Operations before Other Income, Finance Costs	7,063	7,000	8,407	23,738	24,860	17,043
4	Other Income	230	105	15	435	196	3,105
5	Profit before Finance Costs and Forex Fluctuation	7,293	7,105	8,422	24,173	25,056	20,148
6	Finance Costs (Net)	5,060	5,776	5,088	16,044	13,271	1,231
	Forex Fluctuation (Gain) / Loss	1,369	75	1,458	1,471	1,436	1,249
	Exceptional / Prior Period Items	-	470	-	470	-	-
7	Profit Before Tax	864	784	1,876	6,188	10,349	17,668
8	Tax Expense	762	370	860	2,779	3,912	5,823
9	Profit / (Loss) After Tax	102	414	1,016	3,409	6,437	11,845
10	Paid-up Equity Share Capital (Face Value Rs.2/- Per Equity Share)	2,749	2,749	2,549	2,749	2,549	2,749
11	Reserves, excluding Revaluation Reserve as per audited Balance Sheet						184,885
12	Earnings Per Share (Rupees)						
	Basic	0.07	0.31	0.81	2.51	5.05	9.16
	Diluted	0.07	0.30	0.78	2.50	4.86	9.10
13	Public Shareholding						
	- Number of Shares	91,924,594	92,294,873	92,278,107	91,924,594	92,278,107	92,278,107
	- Percentage of Shareholding	67.35%	67.62%	71.97%	67.35%	71.97%	67.62%
14	Promoters & Promoter Group Shareholding						
	Pledge/ Encumbered						
	- Number of Shares	11,575,000	7,875,000	-	11,575,000	-	11,175,000
	- Percentage of Shareholding	8.48%	5.77%	0.00%	8.48%	0.00%	8.19%
	Non-encumbered						
	- Number of Shares	32,982,154	36,311,875	35,936,875	32,982,154	35,936,875	33,011,875
	- Percentage of Shareholding	24.17%	26.61%	28.00%	24.17%	28.00%	24.19%

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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 9th February, 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 not determined. The management does not expect the same to be significant which is relied upon by the auditors.
3. Under the head Finance Cost (Net): During F.Y. 2010-11, based on contractual terms, the Company has recognised one time interest income of Rs. 182 Crores from a subsidiary company.
4. During the year, the Company has changed method of valuation of Inventory from FIFO to Weighted Average. Due to such change in method profit for the quarter is lower by Rs.390 Lacs and profit for the period is lower by Rs. 458 Lacs.
5. During the quarter, the company has incorporated 100% subsidiary as Patna Buxar Highways Limited through its subsidiary.
6. Exceptional item represents prior year expenditure of Rs. 4.70 Crore.
7. The Company's operations constitute a single business and geographical segment of "Construction & Engineering" as per Accounting Standard AS-17.
8. Corresponding figures of the previous period have been regrouped / rearranged wherever necessary.
9. Number of Investor Complaints:
 - i) Pending at the beginning of the quarter - Nil, ii) Received during the quarter - 2,
 - iii) Disposed during the quarter - Nil, iv) Pending at the end of the quarter - 2.

For **Gammon India Limited**



Abhijit Rajan
Chairman & Managing Director
Mumbai, February 9th, 2012



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 year ended December 31, 2011 (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 reflecting total revenue of Rs.74,302 lacs 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. Without qualifying our review report we re-iterate our emphasis of matter contained in our audit report dated August 12, 2011 on the financial statements for the year ended 31st March 2011 relating to
 - Recoverability of an amount of 94.54 crores under sundry debtors in respect of recognition of contract revenue in previous years 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. The recoverability is dependent upon the final outcome of the appeals getting resolved in favour 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.
 - Recognition of variation claims and revenue in respect of works carried out by the joint venture in Oman, where the final outcome of the project is dependent on the resolution of the disputes and settlement of the claims by the client.



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

5. Based on our review conducted as above, 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 : February 9th , 2012

