



GAMMON

GAMMON INDIA LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30th, 2009

Sr. No.	Particulars	Three Months Ended 30.06.2009 (Unaudited)	Three Months Ended 30.06.2008 (Unaudited)	Previous Accounting year ended 31.03.2009 (Audited)
1	Net Sales / Income from Operations	85,045	58,524	363,597
	Other Operating Income	1,122	-	2,190
		86,167	58,524	365,787
2	Expenditure :			
	Consumption of Materials	35,673	21,439	181,913
	(Increase) / Decrease in WIP & FG	(5,233)	(7,408)	(10,653)
	Subcontract and other Cost	38,116	35,542	132,760
	Personnel Cost	5,422	3,408	19,858
	Depreciation & Amortisation	1,698	1,301	6,395
	Other Expenditure	2,180	625	8,462
	Total Expenditure	77,856	54,907	338,735
	Company's share in Profit/ (Loss) of JV	-	-	(409)
3	Profit from Operations before Other Income, Finance Costs	8,311	3,617	26,643
4	Other Income	110	3,864	4,160
	Profit before Finance Costs and Forex Fluctuation	8,421	7,481	30,803
5	Finance Costs (Net)	3,646	1,210	10,526
6	Forex Fluctuation (Gain) / Loss	798	(63)	(591)
7	Profit Before Tax	3,977	6,334	20,868
8	Tax Expense	1,471	1,091	6,821
9	Profit / (Loss) after tax	2,506	5,243	14,047
10	Paid-up Equity Share Capital (Face Value Rs.2/- per equity share)	1,735	1,735	1,735
	Equity Share Suspense Account	402	-	402
	Preference Share Suspense Account	10,500	-	10,500
11	Reserves, excluding Revaluation Reserve as per audited Balance Sheet			120,655
12	Earnings Per Share (Rupees) :			
	Basic	2.17	6.04	12.46
	Diluted	2.16	5.99	12.35
13	Public shareholding			
	- Number of shares	60257195	60257195	60257195
	- Percentage of shareholding	68.89%	68.89%	68.89%
14	Promoters & promoter Group Shareholding			
	Pledge/ Encumbered			
	- Number of shares	3485000	-	7,000,000.00
	- Percentage of shareholding	3.98%	-	8.07%
	Non-encumbered			
	- Number of shares	23728275	27213275	20213275
	- Percentage of shareholding	23.04%	31.11%	23.04%

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 - 6744 4000 • 2430 6761 • Fax : 91 - 22 - 2430 0221 • 2430 0529
 E-Mail : gammon@gammonindia.com • Website : www.gammonindia.com



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 31st July, 2009.
2. Pursuant to the Scheme of amalgamation of the Company with Associated Transrail Structures Limited (ATSL) w.e.f. the appointed date of 1st April, 2008, results of the quarter ended 30th June 2009 include the result of operation of the business of the erstwhile ATSL. Since the effect of the amalgamation was given in the quarter ending 31st March 2009, the figure of the corresponding quarter of previous year does not include the result of operations of the erstwhile ATSL. Hence the results are not comparable.
3. The above Financial results do not include share of Profit/ (Loss) from the Company's Joint Venture in Oman and transactions of the Company's branch 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.
4. The company had entered into, during the previous year, forward contracts for hedging the foreign currency receivables from its projects which are in the nature of firm commitments and highly probable future transactions. The company contends that these are entered into to hedge the currency risks arising out of the firm commitments and that the announcement of the ICAI on derivatives is not applicable to such transactions. The notional marked to market losses is expected to be offset by the higher realisations from the foreign currency receivables as the project progress. Therefore, the Company has not provided marked to market losses on such forward contracts which is at Rs. 2.28 Crores as at 30th June 2009 as against Rs. 15.93 Crores as at 31st March 2009.

The statutory auditors have qualified their limited review report and their audit report dated July 9, 2009 for non-provision for such marked to market losses arising out of foreign currency forward contracts of Rs. 15.93 Crores.

5. Pursuant to the amalgamation of the erstwhile ATSL, the aggregate amount of fresh shares to be issued to the shareholders of erstwhile ATSL, is shown as Share Suspense Account. The earning per share is computed considering the above Equity Share Suspense Account in accordance with AS-20 of the Companies (Accounting Standard) Rule, 2006. For the quarter ended 30th June 2009, the conversion of preference capital has an anti-dilutory effect and therefore is not considered for computing diluted EPS.
6. Pursuant to the approval of the Shareholders in the Extra-Ordinary General Meeting held on Wednesday, the 17th day of June, 2009 and after obtaining all statutory approvals, the Board has allotted 1,60,00,000 Equity Warrants to the Promoter Group Companies, entitling the warrant holders, from time to time in one or more tranches, at their option to convert the warrants into, and apply for, equal number of equity shares of Re 2/- each for cash at a price of Rs. 90.20 per equity share (including premium of Rs. 88.20 per equity share). The warrant holders have paid in their initial contribution @ 25% on 2nd July 2009.
7. The holders of 30,00,000 6% Optionally Convertible Preference Shares (OCPS) of the face value of Rs. 350 each convertible into 2 equity shares at the option of the holder have declined to exercise their conversion option and consequently these OCPS are redeemable at the end of five years from the date of allotment.
8. Other income includes profit on sale of equity shares for all the three reported periods.
9. The Company's operations constitute a single business and geographical segment of "Construction & Engineering" as per Accounting Standard AS-17.
10. Corresponding figures of the previous period have been regrouped / rearranged wherever necessary.
11. Number of Investor Complaints :
 i) Pending at the beginning of the quarter - Nil, ii) Received during the quarter - 5,
 iii) Disposed during the quarter - 5, iv) Pending at the end of the quarter - Nil.

For **GAMMON INDIA LIMITED**

Sd/-

Abhijit Rajan
 Chairman & Managing Director
 Mumbai, July 31st 2009

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