

GAMMON INDIA LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th June, 2008

Rs. In Lacs

Sr. No.	Particulars	<i>Three Months Ended 30.06.2008 Reviewed</i>	<i>Corresponding three Months in the Previous Year 30.06.2007 Reviewed</i>	<i>Twelve months for the Year 31.03.2008 Audited</i>
1	Net Sales / Income from Operations	58,524	64,947	251,781
	Less: Company's share of Turnover in Joint Ventures	-	10,916	17,290
	Net Sales / Income from Operations excluding Joint ventures	58,524	54,031	234,491
2	Company's Share in Profit/ (Loss) of JV	-	-	(1,128)
3	Other Income	3,864	107	452
4	Total Expenditure :			
	a) Consumption of Materials	21,439	24,378	82,769
	b) (Increase) / Decrease in Work in Progress	(7,408)	(13,227)	(19,037)
	c) Sub Contract Expenses and other Site Expenses	35,542	32,131	129,590
	d) Staff Costs	3,408	4,411	15,049
	e) Other Expenditure	625	651	3,664
5	Earnings Before Interest, Depreciation & Tax	8,782	5,794	21,780
6	Foreign Exchange (Gain)/ Loss	(63)	(83)	583
7	Finance Cost (net)	1,210	354	2,641
8	Depreciation	1,301	1,084	4,621
9	Profit / (Loss) Before Taxation	6,334	4,439	13,935
10	Tax Expenses (including Deferred Tax and Fringe Benefit Tax)	1,091	1,586	5,102
11	Profit After Tax	5,243	2,853	8,833
12	Excess / (Short) Provision of taxation for earlier years	-	-	(218)
13	Net Profit for the year	5,243	2,853	8,615
14	Paid-up Equity Share Capital (Face Value Rs.2/- per equity share)	1,735	1,735	1,735
15	Reserves, excluding Revaluation Reserve (As per Balance Sheet)	-	-	96,131
16	Earnings Per Share			
	Basic	6.04	3.29	9.93
	Diluted	5.99	3.26	9.85
18	Aggregate of non-promotor shareholding			
	No of Shares	60257195	60257195	60257195
	Percentage of Shareholding	68.89%	68.89%	68.89%

NOTES :

- 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, 2008 and have been subjected to limited review by the Statutory Auditors of the Company.
- The Company's share of Turnover from Joint Venture accounted under Profit Sharing Method is disclosed for information only.

- 3 The above Financial results 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 and turnover 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 Other Income includes profit on sale of shares of Rs. 3855 Lacs.
- 5 The Company is engaged in only one reportable segment viz. " Construction and Engineering" and therefore Accounting Standard AS -17 on Segment Reporting is not applicable to the Company.
- 6 Corresponding figures of the previous period have been regrouped/rearranged wherever necessary.
- 7 During the Quarter the Company has made following acquisitions / investments: -
- i) Controlling stake of 75.1% in M/s Franco Tosi Meccanica S.p.A, Italy, a company manufacturing turbines through its 100% foreign subsidiary Gammon Holdings BV
 - ii) 50% stake in M/s Sadelmi S.p.A., Italy, an EPC company engaged in Balance of plant for power and other industrial plant through its 100% foreign subsidiary P.Van Eerd Beheersmaatschappij BV
 - iii) 51% stake in M/s Deepmala Infrastructure Pvt Ltd., an SPV engaged in Real Estate
 - iv) Set up a 100% foreign subsidiary M/s Gammon International BV, Netherland
 - v) Set up a 100% subsidiary Ras Cities & Townships Pvt. Ltd. through its subsidiary Gammon Projects Developers Ltd.
- 8 The Board has approved merger of Associated Transrail Structures Ltd. with the Company w.e.f. 1st April, 2008 subject to necessary statutory approval.
- 9 During the quarter, the Company has allotted 15,00,000 Stock Options under the GIL Employee Stock Option Scheme 2007 to its employees at an exercise price equal to the relevant market price on the day previous to the date of the Board of Directors meeting. On account of the intrinsic value being equal to the exercise price, there is no employee stock option compensation cost to be charged to the Profit & Loss a/c.
- 10 Number of Investor complaints :
- i) Pending at the beginning of the quarter -Nil, ii) Received during the quarter- 12, iii) Disposed off during the quarter - 12, iv) Lying unresolved at the end of the quarter -Nil

FOR GAMMON INDIA LIMITED

sd/-

Place : Mumbai
Date : July 31, 2008

R A Bhansali
Executive Director