

GAMMON INDIA LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30th, 2011

(Rupees in Lacs)

Sr. No.	Particulars	For the period ended 30.06.2011 (Unaudited)	For the period ended 30.06.2010 (Unaudited)	Previous Accounting year ended 31.03.2011 (Audited)
1	Net Sales / Income from Operations	139,048	130,711	555,158
	Other Operating Income	-	188	639
		139,048	130,899	555,797
2	Contract Expenditure & Establishment Cost:			
	Consumption of Materials	70,607	66,630	263,241
	(Increase) / Decrease in WIP & FG	(8,466)	(9,134)	(8,318)
	Subcontract and other Cost	51,918	52,263	226,264
	Personnel Cost	9,690	8,506	40,334
	Depreciation & Amortisation	2,552	2,021	9,171
	Other Expenditure	3,072	1,655	7,079
	Total Expenditure	129,373	121,941	537,771
	Company's share in Profit/ (Loss) of JV	-	(200)	(983)
3	Profit from Operations before Other Income, Finance Costs	9,675	8,758	17,043
4	Other Income	100	46	3,105
	Profit before Finance Costs and Forex Fluctuation	9,775	8,804	20,148
5	Finance Costs (Net)	5,208	3,686	1,231
6	Forex Fluctuation (Gain) / Loss	27	205	1,249
7	Profit Before Tax	4,540	4,913	17,668
8	Tax Expense	1,647	1,893	5,823
9	Profit / (Loss) after tax	2,893	3,020	11,845
10	Paid-up Equity Share Capital (Face Value Rs.2/- per equity share)	2,749	2,549	2,749
11	Reserves, excluding Revaluation Reserve as per audited Balance Sheet			184,885
12	Earnings Per Share (Rupees) :			
	Basic	2.13	2.37	9.16
	Diluted	2.12	2.28	9.10
13	Public shareholding			
	- Number of shares	92278107	92246237	92278107
	- Percentage of shareholding	67.62%	71.96%	67.62%
14	Promoters & promoter Group Shareholding			
	Pledge/ Encumbered			
	- Number of shares	5175000	0	11175000
	- Percentage of shareholding	3.79%	0.00%	8.19%
	Non-encumbered			
	- Number of shares	39011875	35936875	33011875
	- Percentage of shareholding	28.59%	28.04%	24.19%

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



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 12th August, 2011 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. 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 quarter the Company has changed method of valuation of Inventory from FIFO to Weighted Average. Due to such change in method profit for the period is lower by Rs. 225 Lacs.
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.
7. Number of Investor Complaints:
 - i) Pending at the beginning of the quarter - Nil, ii) Received during the quarter - 11,
 - iii) Disposed during the quarter - 11, iv) Pending at the end of the quarter - Nil.

For **Gammon India Limited**



Abhijit Rajan
Chairman & Managing Director
Mumbai, August 12th, 2011

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 year ended June 30, 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 provides 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.26,681 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.

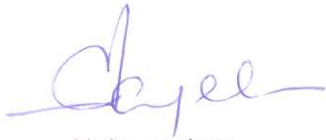


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5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting 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 : August 12, 2011