



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

Dear Sir,

As required under Clause 41 of the Listing Agreement, please find enclosed herewith Unaudited Financial Results (Provisional) of the Company for the second quarter and half year ended 30th September, 2010, along with the Limited Review Report on the same.

Kindly take note of the same.

Yours faithfully,
For Gammon India Limited

Encl.: As above

GAMMON HOUSE, VEER SAVARKAR MARG, P. O. BOX NO. 9129, PRABHADEVI, MUMBAI-400 025. INDIA.
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Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6631 5851 • Fax : 6631 5852 • 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 ended September 30, 2010 (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 reviewed 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.56458 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 14, 2010 on the financial statements for the year ended 31st March 2010 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.
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

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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

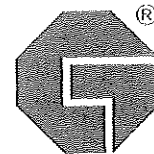


N Jayendran

Partner

M. No. 40441

Mumbai, Dated : November 12, 2010

**GAMMON**

GAMMON INDIA LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30th, 2010

(Rupees in Lacs)

Sr. No.	Particulars	Three Months Ended 30.09.2010 (Unaudited)	Three Months Ended 30.09.2009 (Unaudited)	Year to date for the period ended 30.09.2010 (Unaudited)	Year to date for the period ended 30.09.2009 (Unaudited)	Previous Accounting year ended 31.03.2010 (Audited)
1	Net Sales / Income from Operations	117,983	93,752	248,694	178,797	446,811
	Other Operating Income	83	642	162	1,764	1,699
		118,066	94,394	248,856	180,561	448,510
2	Expenditure :					
	Consumption of Materials	46,220	38,951	112,850	74,624	196,339
	(Increase) / Decrease in WIP & FG	(3,919)	(733)	(13,053)	(5,966)	(10,826)
	Subcontract and other Cost	53,021	38,198	105,284	76,314	187,585
	Personnel Cost	9,997	7,391	18,503	12,813	28,345
	Depreciation & Amortisation	2,235	1,733	4,256	3,431	7,093
	Other Expenditure	2,408	1,282	4,063	3,462	5,170
	Total Expenditure	109,962	86,822	231,903	164,678	413,706
	Company's share in Profit/ (Loss) of JV	(300)	-	(500)	-	(1,496)
3	Profit from Operations before Other Income, Finance Costs	7,804	7,572	16,453	15,883	33,308
4	Other Income	26	1,506	181	1,616	4,110
	Profit before Finance Costs and Forex Fluctuation	7,830	9,078	16,634	17,499	37,418
6	Finance Costs (Net)	4,497	3,818	8,183	7,464	13,966
	Forex Fluctuation (Gain) / Loss	(227)	(866)	(22)	(68)	2,326
7	Profit Before Tax	3,560	6,126	8,473	10,103	21,126
8	Tax Expense	1,159	1,717	3,052	3,188	6,647
	Additional Tax Provided					1,700
	(Excess)/ Short Provision of Tax for Earlier Years					207
9	Profit / (Loss) after tax	2,401	4,409	5,421	6,915	12,572
10	Paid-up Equity Share Capital (Face Value Rs.2/- per equity share)	2,549	2,137	2,549	2,137	2,549
	Paid-up Preference Share Account		10,500		10,500	-
11	Reserves, excluding Revaluation Reserve as per audited Balance Sheet					165,629
12	Earnings Per Share (Rupees) :					
	Basic	1.87	3.96	4.24	6.13	10.72
	Diluted	1.80	3.92	4.08	6.08	10.26
13	Ratios					
	Debt Service Coverage Ratio(DSCR)#			2.48	4.57	6.63
	Interest Service Coverage Ratio (ISCR)##			2.38	3.41	2.69
14	Public shareholding					
	- Number of shares	92246237	79399821	92246237	79399821	92227623
	- Percentage of shareholding	71.96%	73.80%	71.96%	73.80%	71.96%
15	Promoters & promoter Group Shareholding					
	Pledge/ Encumbered					
	- Number of shares	-	1,743,000	-	1743000	-
	- Percentage of shareholding	0.00%	1.62%	0.00%	1.62%	0.00%
	Non-encumbered					
	- Number of shares	35936875	26443875	35936875	26443875	35936875
	- Percentage of shareholding	28.04%	24.58%	28.04%	24.58%	28.04%

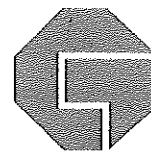
DSCR= (PAT+Depreciation+Interest on long term loans) / (Interest & Principal repayment of long term loans during the year)

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

GAMMON INDIA LIMITED**An ISO 9001 Company**

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**GAMMON****Notes:**1. Statement of Affairs as at 30th September 2010

(Rs. In Lacs)

S.No.	Particulars	As at 30th Sep 2010	As at 30th Sep 2009	As at 31st Mar 2010
		Unaudited	Unaudited	Audited
	SOURCES OF FUNDS :			
A	Shareholders' Funds	198,928	169,659	194,490
	<i>Share Capital</i>	2,583	16,279	2,583
	<i>Employee Stock Option Outstanding</i>	162	159	175
	<i>Equity Share Warrants</i>	1,873	-	1,860
	<i>Reserves & Surplus</i>	194,310	153,221	189,872
B	Loan Funds	247,808	154,124	129,456
C	Deferred Tax Liability	7,174	5,637	7,173
	TOTAL	453,910	329,420	331,119
	APPLICATION OF FUNDS :			
D	Fixed Assets (Net)	126,289	102,169	116,899
E	Investments	21,298	23,424	19,784
F	Net Working Capital	306,323	203,827	194,436
	<u>Current Assets, Loans and Advances</u>			
	<i>Interest Accrued Receivable</i>	5,331	5,413	4,342
	<i>Inventories</i>	155,321	118,501	130,915
	<i>Sundry Debtors</i>	185,852	147,820	176,368
	<i>Cash & Bank Balances</i>	10,116	14,319	7,248
	<i>Loans & Advances</i>	163,901	111,658	106,555
		520,521	397,711	425,428
	<u>Less : Current Liabilities and Provisions</u>			
	<i>Current Liabilities</i>	212,484	192,085	227,974
	<i>Provisions</i>	1,714	1,799	3,018
		214,198	193,884	230,992
	TOTAL	453,910	329,420	331,119

2. 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 November, 2010.

3. The above Financial results include share of Profit/(Loss) from the Company's Joint Venture in Oman. For the half year, 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.

4. Profit for the current period ended 30th September, 2010 are impacted due to levy of Rs.32 Crores as Demurrage charges, beyond the Company's control, included in Sub-contract and other cost.

5. On 11th Nov 2010 M/s. Gammon Realty Ltd., the Company's subsidiary acquired 60,000 equity shares of M/s. Preeti Township Pvt. Ltd. aggregating to 60% of the equity capital for a total consideration of Rs. 12,00,000/- Consequent upon the acquisition M/s. Preeti Township Pvt. Ltd. has become a subsidiary of Gammon Realty Ltd. and a step down subsidiary of M/s. Gammon India Ltd.

6. The Company's operations constitute a single business and geographical segment of "Construction & Engineering" as per Accounting Standard AS-17.

7. Corresponding figures of the previous period have been regrouped / rearranged wherever necessary.

8. Number of Investor Complaints:

i) Pending at the beginning of the quarter - Nil, ii) Received during the quarter - 9,
iii) Disposed during the quarter - 9, iv) Pending at the end of the quarter - Nil.

For Gammon India Limited

Abhijit Rajan
Chairman & Managing Director
Mumbai, November 12th 2010