



GUJARAT GAS COMPANY LIMITED

CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 31st MARCH, 2007 (Pursuant to Clause 41 of Listing Agreement)

Rs. in Lac

| Sr. No. | Particulars | 3 Months ended on 31-03-2007 (Unaudited) | 3 Months ended on 31-03-2006 (Unaudited) | 12 Months ended on 31-12-2006 (Audited) |
|---------|--|--|--|--|
| 1 | Gross Sales | 33,587.45 | 22770.40 | 94647.17 |
| 2 | Excise duty on sales | 336.21 | 216.25 | 998.2 |
| 3 | Net Sales (1-2) | 33,251.24 | 22554.15 | 93,648.97 |
| 4 | Income from services (Net) | 615.44 | 979.03 | 3201.12 |
| 5 | Income from operations (3+4) | 33,866.68 | 23,533.18 | 96,850.09 |
| 6 | Other Income | 378.88 | 444.09 | 1,612.18 |
| 7 | Total Income (5+6) | 34,245.56 | 23,977.27 | 98,462.27 |
| 8 | Total Expenditure including : | 27,688.96 | 19,108.03 | 81,926.32 |
| (a) | Consumption of raw material | 25,497.56 | 17,257.71 | 72,978.91 |
| (b) | Staff Cost | 765.64 | 664.17 | 2900.97 |
| (c) | Other Expenditure | 1,425.76 | 1,186.15 | 6,046.44 |
| 9 | Profit before interest, depreciation and tax (7-8) | 6,556.60 | 4,869.24 | 16,535.95 |
| 10 | Interest | 4.20 | 76.84 | 219.75 |
| 11 | Depreciation | 904.21 | 740.06 | 3,187.23 |
| 12 | Profit before tax (9-10-11) | 5,648.19 | 4,052.34 | 13,128.97 |
| 13 | Provision for taxation - Current Tax | 1,872.93 | 1,455.46 | 3,860.35 |
| 14 | Provision for taxation - Deferred Tax | (3.78) | (83.85) | 362.51 |
| 15 | Provision for taxation - Fringe Benefit Tax | 15.07 | 25.00 | 90.13 |
| 16 | Profit after tax (12-13-14-15) | 3,763.97 | 2,655.73 | 8,815.98 |
| 17 | Minority interest | 4.05 | 18.89 | 64.29 |
| 18 | Profit attributable to group | 3,759.92 | 2,636.84 | 8,751.69 |
| 19 | Preference Dividend and Dividend Tax | -- | -- | 76.92 |
| 20 | Paid-up Share Capital | | | |

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|----|--|----------|----------|-----------|
| | | | | |
| a) | Preference Share Capital (Face Value Rs 10 each) | 1,440.00 | -- | 1,440.00 |
| b) | Equity Share Capital (Face Value Rs 10 each) | 1,282.50 | 1,282.50 | 1,282.50 |
| 21 | Reserves Excluding Revaluation Reserves | -- | -- | 43,123.26 |
| 22 | Basic & Diluted Earnings Per Share (Rs.) | 29.07 | 20.56 | 67.64 |

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| Notes : | |
| 1) | The above financial results are the consolidated financial results of the Company with its subsidiaries prepared in accordance with the accounting standard (AS) 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India. |
| 2) | Income during the quarter included an amount of Rs. 80 mn. (pre-tax), received towards Minimum Guarantee Obligation payment from a customer. |
| 3) | During the previous year, the company had acquired the Cogeneration business of BG India Energy Services Private Limited, a company engaged in providing equipments and services in relation to natural gas fired Cogeneration units, on a slump sale basis with effect from June 2, 2006 at a consideration of Rs.1,097.13 lac. |
| 4) | In May 2006, the company had allotted 14,400,000 7.5% Redeemable Cumulative Non-Convertible Preference Shares (RCNPS) of Rs. 10 each at par aggregating to Rs. 1,440 lac on a preferential basis to BG Asia Pacific Holdings Private Limited (the Holding Company), a company incorporated in Singapore. Out of the issue proceeds, Rs. 1,097.13 lac has been paid to BG India Energy Services Private Limited towards purchase of Cogeneration business and Rs.21.94 lac has been utilized for payment of stamp duty on transfer of business. The balance proceeds of Rs. 320.93 lac has been invested in short term funds. |
| 5) | The proportionate dividend on 7.5% Redeemable Cumulative Non-Convertible Preference Shares (RCNPS) amounting to Rs 31.15 lac has been considered in determining EPS for the current quarter. |
| 6) | The company has adopted Accounting Standard 15 'Employee Benefits' (Revised 2005) issued by the Institute of Chartered Accountants of India with effect from January 1, 2007. Consequent upon its adoption, in accordance with the transitional provisions contained in the Accounting Standard, the net difference of Rs. 42.79 lac (as adjusted for deferred tax of Rs. 21.71 lac) between the liability in respect of Gratuity and other employee benefits existing on the date of adoption and the liability that would have been recognized at the same date under the previous Accounting Standard, has been adjusted against the opening balance of General Reserve. |
| 7) | Attention is invited to note 2 to the stand alone financial results of the Company as stated above. The auditors had drawn attention to the above note in their report on consolidated financial statements of the Company for the year ended December 31, 2006 |
| 8) | The above results were approved by the Board of Directors in its meeting held on 30th April 2007 at Ahmedabad. |
| 9) | The statutory auditors have carried out a limited review at the financial results for the quarter ended 31st March 2007. |
| 10) | Previous period figures have been reclassified / regrouped wherever considered necessary to conform to the current period figures. |

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 31ST MARCH, 2007
(Pursuant to Clause 41 of Listing Agreement)

| Sr. No. | Particulars | 3 Months ended on 31-03-2007 (Unaudited) | 3 Months ended on 31-03-2006 (Unaudited) | 12 Months ended on 31-12-2006 (Audited) |
|---------|--|--|--|--|
| 1 | Gross Sales | 29,687.18 | 19,145.77 | 80,143.80 |
| 2 | Excise duty on sales | 336.21 | 216.25 | 998.20 |
| 3 | Net Sales (1-2) | 29,350.97 | 18,929.52 | 79,145.60 |
| 4 | Income from services (Net) | 761.84 | 1,071.13 | 3,447.18 |
| 5 | Income from Operations (3+4) | 30,112.81 | 20,000.65 | 82,592.78 |
| 6 | Other income | 789.45 | 287.53 | 1,879.44 |
| 7 | Total Income (5+6) | 30,902.26 | 20,288.18 | 84,472.22 |
| 8 | Total expenditure including: | 23,561.07 | 15,873.79 | 68,369.94 |
| (a) | Consumption of raw material | 21,431.05 | 14,044.73 | 59,691.05 |
| (b) | Staff Cost | 755.65 | 654.53 | 2,861.66 |
| (c) | Other Expenditure | 1,374.37 | 1,174.53 | 5,817.23 |
| 9 | Profit before interest, depreciation and tax (7-8) | 7,341.19 | 4,414.39 | 16,102.28 |
| 10 | Interest | 4.20 | 76.84 | 301.91 |
| 11 | Depreciation | 870.13 | 676.74 | 2,960.85 |
| 12 | Profit before tax (9-10-11) | 6,466.86 | 3,660.81 | 12,839.52 |
| 13 | Provision for taxation - Current Tax | 1,985.00 | 1,225.00 | 3,210.00 |
| 14 | Provision for taxation - Deferred Tax | (36.00) | (36.00) | 650.00 |
| 15 | Provision for taxation - Fringe Benefit Tax | 15.00 | 25.00 | 90.00 |
| 16 | Profit after tax (12-13-14-15) | 4,502.86 | 2,446.81 | 8,889.52 |
| 17 | Preference Dividend and Dividend Tax | -- | -- | 76.92 |
| 18 | Paid-up Equity Share Capital | | | |
| (a) | Preference Share Capital (Face Value Rs 10 each) | 1,440.00 | -- | 1,440.00 |
| (b) | Equity Share Capital (Face Value Rs 10 each) | 1,282.50 | 1,282.50 | 1,282.50 |
| 19 | Reserves Excluding Revaluation Reserves | -- | -- | 40,066.77 |
| 20 | Basic & Diluted Earnings Per Share (Rs.) | 34.87 | 19.08 | 68.71 |
| 20 | Aggregate of non-promoter share holding: | | | |
| (a) | Number of Shares | 4,473,125 | 4,473,125 | 4,473,125 |
| (b) | Percentage of Shareholding | 34.848% | 34.878% | 34.878% |

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| Notes : | |
| 1) | The above results were approved by the Board of Directors in its meeting held on 30th April 2007 at Ahmedabad. |
| 2) | Prices of Natural Gas for the period 1st April 2000 to 30th June 2005, were under review by the Ministry of Petroleum and Natural Gas (MoPNG), Government of India. Pending finalisation of the prices, GAIL (India) Limited one of the suppliers of the Company was making a provisional billing to the Company based on the rates specified in the MoPNG intimation dated September 18, 1997. Subsequent adjustments, that may arise on aforesaid revision, are not ascertainable at this stage. GAIL has now advised the price chargeable as from July 1, 2005 but made no reference to the prior periods referenced above. However the management does not expect any price revision for past periods. The statutory auditors had drawn attention to this note in their audit report for the year ended December 31, 2006. |
| 3) | During the previous year, the company had acquired the Cogeneration business of BG India Energy Services Private Limited, a company engaged in providing equipments and services in relation to natural gas fired Cogeneration units, on a slump sale basis with effect from June 2, 2006 at a consideration of Rs.1,097.13 lac. |
| 4) | In May 2006, the company had allotted 14,400,000 7.5% Redeemable Cumulative Non-Convertible Preference Shares (RCNPS) of Rs. 10 each at par aggregating to Rs. 1,440 lac on a preferential basis to BG Asia Pacific Holdings Private Limited (the Holding Company), a company incorporated in Singapore. Out of the issue proceeds, Rs. 1,097.13 lac has been paid to BG India Energy Services Private Limited towards purchase of Cogeneration business and Rs.21.94 lac has been utilized for payment of stamp duty on transfer of business. The balance proceeds of Rs. 320.93 lac has been invested in short term funds. |
| 5) | The proportionate dividend on 7.5% Redeemable Cumulative Non-Convertible Preference Shares (RCNPS) amounting to Rs 31.15 lac has been considered in determining EPS for the current quarter. |
| 6) | The company has adopted Accounting Standard 15 'Employee Benefits' (Revised 2005) issued by the Institute of Chartered Accountants of India with effect from January 1, 2007. Consequent upon its adoption, in accordance with the transitional provisions contained in the Accounting Standard, the net difference of Rs. 42.64 lac (after adjustment for deferred tax of Rs. 21.64 lac) between the liability in respect of Gratuity and other employee benefits existing on the date of adoption and the liability that would have been recognized at the same date under the previous Accounting Standard, has been adjusted against the opening balance of General Reserve. |
| 7) | The company is primarily in the business of distribution of Natural gas. The other activity of the company comprises leasing of natural gas fired Cogeneration units, the income from which is not material in financial terms. Accordingly, disclosures relating to primary business segments under the Accounting Standard on Segment Reporting (AS - 17) issued by the Institute of Chartered Accountants of India are not relevant to the Company. |
| 8) | Details of number of investor complaints for the quarter ended on 31st March , 2007: Beginning - Nil, Received - 8, Disposed off - 8, and Pending - Nil. |
| 9) | The statutory auditors have carried out a limited review of the financial results for the quarter ended 31st March, 2007 |
| 10) | Previous period figures have been reclassified / regrouped wherever considered necessary to conform to the current period figures. |

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| Place: Ahmedabad Date: 30 th April, 2007 | For Gujarat Gas Company Limited B. S. Shantharaju Managing Director |
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