



Pipavav Defence and Offshore Engineering Company Limited

Registered Office: Pipavav Port, Post Ucchaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560. India.

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2013

Rs in Lacs except share data

Sr. No.	Particulars	Standalone					
		3 months ended 30.09.2013	3 months ended 30.06.2013	Corresponding 3 months ended 30.09.2012	6 months ended 30.09.2013	Corresponding 6 months ended 30.09.2012	Year ended 31.03.2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
PART - 1							
1	Income from operations						
(a)	Net Income from Operations	80,477.91	69,928.85	60,025.03	150,406.76	116,549.08	250,902.02
(b)	Other Operating Income	268.45	346.38	6,576.98	614.83	7,292.46	7,744.79
	Total Income from operations (net)	80,746.36	70,275.23	66,602.01	151,021.59	123,841.54	258,646.81
2	Expenses						
(a)	Cost of Materials Consumed	11,337.10	8,667.05	11,755.87	20,004.15	21,468.92	28,016.07
(b)	Purchase of Stock - in - trade	11,707.32	24,478.61	16,870.73	36,185.93	40,209.26	106,939.89
(c)	Changes in Inventories of scrap and stock-in-trade	7,134.25	(6,983.55)	(26.26)	150.70	275.63	251.20
(d)	Employees benefits expense	1,316.56	1,494.94	1,285.92	2,811.50	2,433.60	5,309.49
(e)	Depreciation and amortisation expense	3,997.91	3,950.47	3,013.40	7,948.38	6,018.18	12,269.77
(f)	Cost Estimated for Revenue Recognised (Refer Note No. 05)	4,131.42	11,154.56	12,329.04	15,285.98	12,017.99	16,913.89
(g)	Other Expenditure (Refer Note No. 07)	30,418.27	16,351.92	10,409.19	46,770.19	21,314.79	47,719.20
	Total Expenses	70,042.83	59,114.00	55,637.89	129,156.83	103,738.37	217,419.51
3	Profit from operations before Other Income, Finance Costs & Exceptional Items (1-2)	10,703.53	11,161.23	10,964.12	21,864.76	20,103.17	41,227.30
4	Other Income	818.73	793.22	400.78	1,611.95	1,308.45	2,656.18
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	11,522.26	11,954.45	11,364.90	23,476.71	21,411.62	43,883.48
6	Finance Costs	10,793.39	10,793.30	10,115.67	21,586.69	19,886.62	39,745.96
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	728.87	1,161.15	1,249.23	1,890.02	1,525.00	4,137.52
8	Exceptional Items	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	728.87	1,161.15	1,249.23	1,890.02	1,525.00	4,137.52
10	Tax Expense (Including Deferred Tax)	275.18	432.95	408.49	708.13	482.29	1,265.42
11	Net Profit from Ordinary Activities after Tax (9-10)	453.69	728.20	840.74	1,181.89	1,042.71	2,872.10
12	Extraordinary items (Net of Tax Expense)	-	-	-	-	-	-
13	Net Profit for the Period (11-12)	453.69	728.20	840.74	1,181.89	1,042.71	2,872.10
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	73,620.63	73,620.63	70,119.84	73,620.63	70,119.84	70,119.84
15	Reserves excluding Revaluation Reserves as per audited Balance Sheet of previous year						134,445.83
16	Earnings Per Share (EPS) (Not Annualised)						
(a)	Basic EPS (Rs.)	0.06	0.10	0.12	0.16	0.15	0.41
(b)	Diluted EPS (Rs.)	0.06	0.10	0.12	0.16	0.15	0.41

PART - 2							
A - PARTICULARS OF SHAREHOLDING							
Sr No.	Particulars	3 months ended 30.09.2013					
1	Public Shareholding						
	- Number of Shares	408,442,046	408,742,046	385,422,208	408,442,046	385,422,208	381,227,917
	- Percentage of Shareholding	55.48%	55.52%	54.96%	55.48%	54.96%	54.37%
2	Promoters & Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	326,659,222	319,359,222	291,471,289	326,659,222	291,471,289	310,322,481
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.66%	97.52%	92.30%	99.66%	92.30%	96.98%
	- Percentage of shares (as a % of the total share capital of the Company)	44.37%	43.38%	41.57%	44.37%	41.57%	44.25%
	b) Non-Encumbered						
	- Number of Shares	1,105,001	8,105,001	24,304,891	1,105,001	24,304,891	9,647,990
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.34%	2.48%	7.70%	0.34%	7.70%	3.02%
	- Percentage of shares (as a % of the total share capital of the Company)	0.15%	1.10%	3.47%	0.15%	3.47%	1.38%

Sr No.	Particulars	3 months ended 30.09.2013
B - INVESTOR COMPLAINTS		
01	Pending at the beginning of the quarter	-
02	Received during the quarter	3
03	Disposed off during the quarter	3
04	Remaining unresolved at the end of the quarter	-

STATEMENT OF ASSETS AND LIABILITIES

Rs in Lacs

Particulars	Standalone	
	As at 30.09.2013	As at 31.03.2013
	Unaudited	Audited
A EQUITY AND LIABILITIES		
1) Shareholders' Funds		
a) Share Capital	73,620.63	70,119.84
b) Reserves and Surplus	160,413.40	134,445.83
c) Monies received against Convertible Warrants	-	2,047.50
Sub-total - Shareholders' funds	234,034.03	206,613.17
2) Non - Current Liabilities		
a) Long - Term Borrowings	186,083.60	215,052.01
b) Deferred Tax Liabilities (Net)	8,219.89	7,511.75
c) Other Long - Term Liabilities	14,247.53	14,247.53
d) Long - Term Provisions	142.57	100.89
Sub- total - Non - Current Liabilities	208,693.59	236,912.18
3) Current Liabilities		
a) Short Term Borrowings	243,131.20	215,194.55
b) Trade Payables	43,238.59	30,247.80
c) Other Current Liabilities	193,055.56	82,858.37
d) Short - Term Provisions	49,025.80	24,802.04
Sub- total - Current Liabilities	528,451.15	353,102.76
TOTAL - EQUITY AND LIABILITIES	971,178.77	796,628.12
B ASSETS		
1) Non - Current Assets		
a) Fixed Assets	513,824.89	488,398.53
b) Non-Current Investments	2,059.74	2,059.74
c) Long Term Loans and Advances	54,704.07	54,047.13
Sub- total - Non - Current Assets	570,588.70	544,505.40
2) Current Assets		
a) Current Investments	-	450.00
b) Inventories	20,862.03	16,280.45
c) Trade Receivables	172,707.94	89,599.10
d) Cash and Bank Balances	37,773.24	37,543.53
e) Short Term Loans and Advances	35,599.61	23,971.34
f) Other Current Assets	133,647.25	84,278.29
Sub- total - Current Assets	400,590.07	252,122.71
TOTAL - ASSETS	971,178.77	796,628.11

Report of Segment wise Revenue, Results and Capital Employed, under Clause 41 of the Listing Agreement :

Rs in Lacs

Particulars	Standalone					
	3 months ended 30.09.2013	3 months ended 30.06.2013	Corresponding 3 months ended 30.09.2012	6 months ended 30.09.2013	Corresponding 6 months ended 30.09.2012	Year ended 31.03.2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Ship-building & Fabrication	61,698.04	52,760.22	49,546.04	114,458.26	83,195.20	150,624.48
b) Trading	19,048.32	17,515.01	17,055.97	36,563.33	40,646.34	108,022.33
Total	80,746.36	70,275.23	66,602.01	151,021.59	123,841.54	258,646.81
Less : Inter-segment Revenue	-	-	-	-	-	-
Net Income from Operations	80,746.36	70,275.23	66,602.01	151,021.59	123,841.54	258,646.81
2. Segment Results (Profit before tax & interest from each segment)						
a) Ship-building & Fabrication	13,657.93	15,165.36	8,171.88	28,823.29	22,872.06	48,318.40
b) Trading	190.13	187.27	185.24	377.40	437.08	1,082.44
Total	13,848.06	15,352.63	8,357.12	29,200.69	23,309.14	49,400.84
Less : i) Finance Costs	10,793.39	10,793.30	10,115.67	21,586.69	19,886.62	39,745.96
ii) Other unallocable expenditure net off unallocated income	2,325.80	3,398.18	(3,007.78)	5,723.98	1,897.52	5,517.36
Total Profit Before Tax	728.87	1,161.15	1,249.23	1,890.02	1,525.00	4,137.52
3. Capital Employed (Segment Assets - Segment Liabilities)						
a) Ship-building & Fabrication	732,709.56	662,279.41	568,148.07	732,709.56	568,148.07	633,964.77
b) Trading	20,831.05	19,131.22	10,680.62	20,831.05	10,680.62	16,288.91
c) Unallocated	(519,506.58)	(447,830.29)	(374,044.91)	(519,506.58)	(374,044.91)	(443,640.51)
Total	234,034.03	233,580.34	204,783.78	234,034.03	204,783.78	206,613.17

Segments have been identified based on the organisational structure, internal management reporting system, nature of production process and infrastructure facilities used. Accordingly the company has identified two segments within the meaning of AS-17 on Segment Reporting:

- i) Ship building and Fabrication includes shipbuilding, block manufacturing, ship and rig repairs, fabrication etc. at its SEZ and EOU units situated at Pipavav, Gujarat.
ii) Trading includes steel trading activities.

Notes :

- 01 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on November 14, 2013, and approved for release.
- 02 The Statutory Auditors of the Company have carried out a Limited Review of the above Financial Results in accordance with the Clause 41 of the Listing Agreement.
- 03 As per the Guidelines for the Shipbuilding Subsidy issued by the Government of India on March 25, 2009, the Company is eligible for subsidy at the rate of 30% of the contract price, in respect of the export order received for vessels for which the contracts with the customers were signed on or before August 14, 2007. Accordingly, Government Subsidy of Rs. 4,199.17 Lacs and Rs. 6,716.49 Lacs for the quarter and half year ended September 30, 2013 respectively has been recognised as revenue in respect of Ships including those under construction as at September 30, 2013 on proportionate completion basis.
- 04 The Company's Phase II Expansion Project is progressing reasonably well although project activities were affected due to heavy rainfall during the quarter.
- 05 In respect of vessels other than commercial vessels, including offshore support vessels, the Company accounts the contract revenue and expenses based on the proportionate completion of contract as certified by technical experts. With an aim to allocate the profit on the said contract to whole of the contract period a provision for proportionate cost to be incurred has been made and charged to profit and loss account as "cost estimated for revenue recognised".
- 06 During the six months period ended the Company has issued 35,007,881 equity shares on preferential basis / on conversion of warrants which resulted in increase in Share Capital and Securities Premium by Rs. 3,500.79 Lacs and 24,785.67 Lacs respectively.
- 07 Other Expenditure includes:
i) Net foreign exchange differences of Rs. 14,043.43 Lacs and Rs. 17,616.86 Lacs for the quarter and half year ended September 30, 2013.
ii) Rs. 4,899.95 Lacs provided for the quarter and half year ended September 30th, 2013. pursuant to an arbitration award in connection with cancellation of orders for four Panamax vessels. The Company intends to contest the award.
- 08 The above results are prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) -25 - "Interim Financial Reporting" as those followed in previous years. Previous quarter / year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary, to make them comparable with the current period.

For Pipavav Defence and Offshore
Engineering Company Limited

Place :- Mumbai
Date :- November 14, 2013

Bhavesh P. Gandhi
Executive Vice Chairman