



Pipavav Defence and Offshore Engineering Company Limited

(formerly known as Pipavav Shipyard Limited)

Registered Office: Ucchiaya Post, Dist. Amreli, Via Rajula, Gujarat - 365 560. India.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2011.

Rs in Lacs Except share data

Sr No	Particulars	Standalone		Standalone
		Quarter Ended		Year Ended
		30.06.2011	30.06.2010	31.03.2011
		Unaudited	Unaudited	Audited
1	Income			
(a)	Net Sales / Income from Operations	33,803.20	17,602.26	85,993.08
(b)	Other Operating Income	30.57	-	768.29
	Total Income	33,833.77	17,602.26	86,761.37
2	Expenditure			
(a)	(Increase) / Decrease in Stock in trade & Work in progress	(1,670.78)	(650.20)	2,235.06
(b)	Consumption of Raw Materials and Components	13,916.11	6,918.29	28,283.20
(c)	Purchase of Traded Goods	8,698.13	1,642.08	25,758.80
(d)	Employees Cost	908.94	628.70	2,739.93
(e)	Cost estimated for Revenue Recognised	(2,093.06)	4,211.66	(3,028.47)
(f)	Depreciation	1,792.87	1,176.80	4,873.26
(g)	Other Expenditure	7,411.08	3,613.90	14,750.69
	Total	28,963.29	17,541.23	75,612.47
3	Profit from operations before Other Income, Interest & Exceptional Items (1 - 2)	4,870.48	61.03	11,148.90
4	Other Income	656.65	1,252.88	5,568.22
5	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	5,527.13	1,313.91	16,717.12
6	Interest and Financial Charges	4,304.13	2,292.89	11,900.63
7	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	1,223.00	(978.98)	4,816.49
8	Exceptional Items	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 + 8)	1,223.00	(978.98)	4,816.49
10	Tax Expense			
	- Current Tax	241.70	-	1,161.40
	- MAT Credit Entitlement	(241.17)	-	(1,127.65)
	- Deferred Tax Liability	428.13	-	794.20
	- Income Tax of the Earlier Years	-	-	11.39
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	794.34	(978.98)	3,977.15
12	Extraordinary items (Net of Tax Expenses)	-	-	-
13	Net Profit / (Loss) for the year (11 - 12)	794.34	(978.98)	3,977.15
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	66,579.84	66,579.84	66,579.84
15	Reserves excluding Revaluation Reserves as per audited Balance Sheet of previous accounting year	-	-	102,501.56
16	Earnings Per Share (EPS)			
(a)	Basic EPS (Rs.)	0.12	(0.15)	0.60
(b)	Diluted EPS (Rs.)	0.12	(0.15)	0.60
17	Aggregate of Public Share Holding			
	- No. of Shares	366,222,208	367,427,208	366,222,208
	- % of Shareholding	55.00%	55.18%	55.00%
18	Promoter & Promoter Group Shareholding			
	a) Pledged / Encumbered			
	- Number of Shares	298,371,179	133,999,994	298,371,179
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.60%	44.91%	99.60%
	- Percentage of shares (as a % of the total share capital of the company)	44.81%	20.13%	44.81%
	b) Non-Encumbered			
	- Number of Shares	1,205,001	164,371,186	1,205,001
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.40%	55.09%	0.40%
	- Percentage of shares (as a % of the total share capital of the company)	0.19%	24.69%	0.19%

Notes:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on August 12, 2011, and approved for release.
- 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.
- The name of the Company has been changed from Pipavav Shipyard Limited to "**Pipavav Defence and Offshore Engineering Company Limited**" with effect from June 27, 2011.
- As per the Revised 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. 2,898.82 Lacs for the quarter ended June 30, 2011 (Rs. 2,236.71 Lacs for the corresponding quarter ended June 30, 2010 and Rs. 7,494.13 Lacs for the Previous year) has been recognised as revenue in respect of Ships under construction on proportionate completion basis.
- 2,54,00,000 10% Fully, Compulsorily and Mandatorily Convertible Unsecured Debentures (CCDs) of Rs. 70/- each allotted to Valiant Mauritius Partners FDI Ltd. were due for conversion in 2,54,00,000 equity shares on May 18, 2011. Post the Company entering into defence sector, said CCDs can be converted into equity shares only with prior approval of Govt. of India through FIPB as per Consolidated FDI Policy. The Company has filed the required application with FIPB and approval is awaited.
- In respect of Offshore Vessels (OSVs), the Company has accounted for contract revenue and expenses based on the proportion of completion of contracts certified by technical experts. Reversal of the "Cost estimated for Revenue Recognised" represents the cost incurred out of the amount provided in earlier period towards the cost to be incurred with an aim to allocate the profit on the said contract to whole of the contract.
- 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. The previous year / Period figures have been reworked, regrouped, rearranged and reclassified, wherever necessary to make them comparable with those of the current period.
- The Company's activities during the period predominantly revolved around the Shipbuilding, Ship repair and related activities, accordingly there is only one reportable segment.
- There were no complaints pending from investors at the beginning of the quarter, 3 complaints were received and resolved during the quarter ended June 30, 2011 and no complaint was outstanding as on June 30, 2011.

Place :- Mumbai
Date : August 12, 2011

for Pipavav Defence and Offshore Engineering Company Limited

Bhavesh P. Gandhi
Executive Vice Chairman
DIN - 00030623