



Pipavav Defence and Offshore Engineering Company Limited

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

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2012

Rs in Lacs except share data

Sr. No.	Particulars	Standalone					
		3 months ended 30.09.2012	3 months ended 30.06.2012	Corresponding 3 months ended 30.09.2011 in the previous year	Six months ended 30.09.2012	Six months ended 30.09.2011	Year ended 31.03.2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
PART - 1							
1	Income from operations						
(a)	Net Income from Operations	60,025.03	56,524.05	44,915.29	116,549.08	78,718.48	185,150.17
(b)	Other Operating Income	6,576.98	715.48	64.46	7,292.46	64.46	1,556.30
	Total Income from operations (net)	66,602.01	57,239.53	44,979.75	123,841.54	78,782.94	186,706.47
2	Expenses						
(a)	Cost of Materials Consumed	11,755.87	9,713.05	13,262.24	21,468.92	27,178.36	49,877.97
(b)	Purchase of Stock - in - trade	16,870.73	23,338.53	6,536.62	40,209.26	15,234.75	51,662.25
(c)	Changes in Inventories of scrap and stock-in-trade	(26.26)	301.89	1,455.02	275.63	(215.75)	113.02
(d)	Employees benefits expense	1,285.92	1,147.68	1,097.71	2,433.60	2,006.65	4,578.09
(e)	Depreciation and amortisation expense	3,013.40	3,004.78	2,922.78	6,018.18	4,715.65	10,589.16
(f)	Cost Estimated for Revenue Recognised	12,329.04	(311.05)	232.45	12,017.99	36.21	(7,245.62)
(g)	Other Expenditure	10,409.19	10,905.60	12,276.33	21,314.79	17,746.13	46,533.71
	Total Expenses	55,637.89	48,100.48	37,783.15	103,738.37	66,702.00	156,108.58
3	Profit from operations before Other Income, Finance Costs & Exceptional Items (1-2)	10,964.12	9,139.05	7,196.60	20,103.17	12,080.94	30,597.89
4	Other Income	400.78	907.67	657.01	1,308.45	1,299.80	2,440.24
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	11,364.90	10,046.72	7,853.61	21,411.62	13,380.74	33,038.13
6	Finance Costs	10,115.67	9,770.95	6,273.58	19,886.62	10,577.72	25,768.18
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	1,249.23	275.77	1,580.03	1,525.00	2,803.02	7,269.95
8	Exceptional Items	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	1,249.23	275.77	1,580.03	1,525.00	2,803.02	7,269.95
10	Tax Expense (Including Deferred Tax)	408.49	73.80	638.98	482.29	1,067.64	5,418.38
11	Net Profit from Ordinary Activities after Tax (9-10)	840.74	201.97	941.05	1,042.71	1,735.38	1,851.57
12	Extraordinary items (Net of Tax Expense)	-	-	-	-	-	-
13	Net Profit for the Period (11-12)	840.74	201.97	941.05	1,042.71	1,735.38	1,851.57
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	70,119.84	69,119.84	66,579.84	70,119.84	66,579.84	69,119.84
15	Reserves excluding Revaluation Reserves as per audited Balance Sheet of previous accounting year						124,773.73
16	Earnings Per Share (EPS) (Not Annualised)						
(a)	Basic EPS (Rs.)	0.12	0.03	0.14	0.15	0.26	0.27
(b)	Diluted EPS (Rs.)	0.12	0.03	0.14	0.15	0.26	0.27

PART - 2							
A - PARTICULARS OF SHAREHOLDING							
Sr No.	Particulars	3 months ended 30.09.2012	3 months ended 30.06.2012	Corresponding 3 months ended 30.09.2011 in the previous year	Six months ended 30.09.2012	Six months ended 30.09.2011	Year ended 31.03.2012
1	Public Shareholding						
	- Number of Shares	385,422,208	391,622,208	366,222,208	385,422,208	366,222,208	391,622,208
	- Percentage of Shareholding	54.96%	56.66%	55.00%	54.96%	55.00%	56.66%
2	Promoters & Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	291,471,289	291,471,179	291,471,179	291,471,289	291,471,179	291,471,179
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	92.30%	97.29%	97.29%	92.30%	97.29%	97.29%
	- Percentage of shares (as a % of the total share capital of the Company)	41.57%	42.17%	43.78%	41.57%	43.78%	42.17%
	b) Non-Encumbered						
	- Number of Shares	24,304,891	8,105,001	8,105,001	24,304,891	8,105,001	8,105,001
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	7.70%	2.71%	2.71%	7.70%	2.71%	2.71%
	- Percentage of shares (as a % of the total share capital of the Company)	3.47%	1.17%	1.22%	3.47%	1.22%	1.17%

Sr No.	Particulars	3 months ended 30.09.2012
B - INVESTOR COMPLAINTS		
01	Pending at the beginning of the quarter	-
02	Received during the quarter	13
03	Disposed off during the quarter	13
04	Remaining unresolved at the end of the quarter	-

STATEMENT OF ASSETS AND LIABILITIES

Rs in Lacs

Particulars	Standalone	
	As at 30.09.2012	As at 31.03.2012
	Un Audited	Audited
A EQUITY AND LIABILITIES		
1) Shareholders' Funds		
a) Share Capital	70,119.84	69,119.84
b) Reserves and Surplus	132,616.44	124,773.73
c) Monies received against Convertible Warrants	2,047.50	3,997.50
Sub-total - Shareholders' funds	204,783.78	197,891.07
2) Non - Current Liabilities		
a) Long - Term Borrowings	167,064.08	100,177.22
b) Deferred Tax Liabilities (Net)	6,728.62	6,246.33
c) Other Long - Term Liabilities	5,624.21	19,436.59
Sub- total - Non Current Liabilities	179,416.91	125,860.14
3) Current Liabilities		
a) Short Term Borrowings	212,239.81	172,319.58
b) Trade Payables	36,463.93	43,090.62
c) Other Current Liabilities	98,692.29	54,231.99
d) Short - Term Provisions	15,165.72	2,501.34
Sub- total - Current Liabilities	362,561.75	272,143.53
TOTAL - EQUITY AND LIABILITIES	746,762.44	595,894.74
B ASSETS		
1) Non - Current Assets		
a) Fixed Assets	395,744.85	276,948.18
b) Non-Current Investments	2,050.26	2,050.26
c) Long Term Loans and Advances	57,719.14	61,604.76
Sub- total - Non - Current Assets	455,514.25	340,603.20
2) Current Assets		
a) Current Investments	450.00	900.00
b) Inventories	18,373.06	33,910.19
c) Trade Receivables	106,890.79	90,942.09
d) Cash and Bank Balances	30,381.25	27,825.25
e) Short Term Loans and Advances	33,044.99	33,954.06
f) Other Current Assets	102,108.10	67,759.95
Sub- total - Current Assets	291,248.19	255,291.54
TOTAL - ASSETS	746,762.44	595,894.74

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

Rs in Lacs

Particulars	Standalone					
	3 months ended 30.09.2012	3 months ended 30.06.2012	Corresponding 3 months ended 30.09.2011 in the previous year	Six months ended 30.09.2012	Six months ended 30.09.2011	Year ended 31.03.2012
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Ship-building , repairs & allied activities	49,546.04	33,649.16	36,899.08	83,195.20	63,251.74	134,370.55
b) Trading	17,055.97	23,590.37	8,080.67	40,646.34	15,531.20	52,335.92
Total	66,602.01	57,239.53	44,979.75	123,841.54	78,782.94	186,706.47
Less : Inter-segment Revenue	-	-	-	-	-	-
Net Income from Operations	66,602.01	57,239.53	44,979.75	123,841.54	78,782.94	186,706.47
2. Segment Results (Profit before tax and interest from each segment)						
a) Ship-building , repairs & allied activities	19,959.87	16,170.73	11,449.94	36,130.60	21,357.67	39,181.14
b) Trading	185.24	251.84	103.12	437.08	296.46	673.67
Total	20,145.11	16,422.57	11,553.06	36,567.68	21,654.13	39,854.81
Less : i) Finance Costs	10,115.67	9,770.95	6,273.58	19,886.62	10,577.72	25,768.18
ii) Other unallocable expenditure net off	9,100.37	7,267.37	4,351.28	16,367.74	9,539.40	9,159.27
Add : Unallocated Income	320.16	891.52	651.83	1,211.68	1,266.01	2,342.59
Total Profit Before Tax	1,249.23	275.77	1,580.03	1,525.00	2,803.02	7,269.95
3. Capital Employed (Segment Assets - Segment Liabilities)						
a) Ship-building , repairs & allied activities	568,148.07	531,767.07	377,908.00	568,148.07	377,908.00	457,987.16
b) Trading	10,680.62	15,242.46	6,314.07	10,680.62	6,314.07	11,504.59
c) Unallocated	(374,044.91)	(343,066.49)	(208,231.25)	(374,044.91)	(208,231.25)	(271,600.68)
Total	204,783.78	203,943.04	175,990.82	204,783.78	175,990.82	197,891.07

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS 17).

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 9, 2012, 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 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. 1,599.92 Lacs for the quarter ended September 30, 2012 and Rs.4,517.34 Lacs for the 6 months period ended September 30, 2012 has been recognised as revenue in respect of Ships under construction as at September 30, 2012 on proportionate completion basis.
- 04 The Company has order for building several panamax sister vessels. The Company has initiated arbitration proceedings as per terms of contract for four panamax vessels & subsequently, the Company has received alleged cancellation notices for these vessels. The Company is of the view that it has a strong case. However, the Company can deliver these vessels against orders for balance panamax vessels. Therefore the Company continues to recognise the revenue on these vessels and has recognized revenue and subsidy of Rs. 5,838.47 Lacs and Rs. 1,751.54 Lacs respectively during the quarter ended September 30, 2012, and Rs. 12,479.36 Lacs and Rs. 3,743.81 Lacs respectively for the 6 months period ended September 30, 2012 on these vessels.
- 05 In pursuance of the re-negotiation of certain contracts, the customers agreed to forgo advances given by them and, accordingly, the Company has accounted Rs. 6,336.59 Lacs as other operating income.
- 06 The Company's expansion project (Phase II), is in progress as scheduled and substantial work relating to land / site development; ground / structure improvement, strengthening and hard standing etc., has been completed.
- 07 During the quarter 1 crore fully paid-up equity shares of Rs. 10/- each has been allotted to Grevek Investments and Finance Private Limited, one of the promoters of the Company, @ Rs. 78/- per equity share, on exercise of the option in Convertible Warrants
- 08 In respect of offshore vessels the Company accounts the contract revenue and expenses based on the proportionate of completion of contract as certified by technical experts. With an aim to allocate the profit on the said contract to whole of the contract a provision for proportionate cost to be incurred has been made and charged to profit and loss account as "cost estimated for revenue recognised".
- 09 Subsequent to the quarter end, the Board of Directors subject to the required Corporate and Statutory approvals, approved issue of equity shares to SAAB AB, Sweden (SAAB, a part of Wallenberg group) and accordingly a share subscription cum share holders agreement has been signed with SAAB AB for issue of 24,507,881 equity shares of Rs.10/- each at a price of Rs. 82/- per equity shares.
- 10 The above results are prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) -25 - "Interim Financial Reporting" . The previous year / period 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

Bhavesh P. Gandhi
Executive Vice Chairman
DIN - 00030623

Date :- November 09, 2012