



Pipavav Defence and Offshore Engineering Company Limited

(formerly known as Pipavav Shipyard Limited)

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011

Rs in Laacs except share data

Sr. No.	Particulars	Quarter ended 31.12.2011	Previous quarter ended 30.09.2011	Quarter ended 31.12.2010	Nine months ended 31.12.2011	Nine months ended 31.12.2010	Previous Accounting year ended 31.03.2011
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
(a)	Net Sales / Income from Operations	46,135.74	44,979.75	24,943.38	124,918.68	60,111.84	85,993.08
(b)	Other Operating Income	2.81	3.23	464.52	36.61	464.52	768.29
	Total Income	46,138.55	44,982.98	25,407.90	124,955.29	60,576.36	86,761.37
2	Expenditure						
(a)	(Increase) / Decrease in Stock in trade & Work in progress	(142.80)	1,455.02	(414.36)	(358.55)	(872.56)	2,235.06
(b)	Consumption of Raw Materials and Components	10,585.83	13,262.24	12,851.84	37,764.19	21,269.80	28,283.20
(c)	Purchase of Traded Goods	10,825.57	6,536.62	7,916.96	26,060.32	17,401.20	25,758.80
(d)	Employees Cost	1,074.71	1,097.71	618.11	3,081.36	1,961.11	2,739.93
(e)	Cost estimated for Revenue Recognised	(41.59)	(284.75)	(1,906.59)	(2,419.40)	3,899.68	(3,028.47)
(f)	Depreciation	2,951.40	2,922.78	1,235.34	7,667.05	3,627.42	4,873.26
(g)	Exchange difference (Net)	(491.15)	1,195.35	(620.38)	659.77	(1,067.92)	(1,227.30)
(h)	Other Expenditure	12,958.59	11,598.18	4,851.42	31,967.82	12,811.76	15,977.99
	Total Expenditure	37,720.56	37,783.15	24,532.34	104,422.56	59,030.49	75,612.47
3	Profit from operations before Other Income, Interest & Exceptional Items (1 - 2)	8,417.99	7,199.83	875.56	20,532.73	1,545.87	11,148.90
4	Other Income	500.70	653.78	2,288.76	1,766.70	5,362.05	5,568.22
5	Profit before Interest and Exceptional Items (3 + 4)	8,918.69	7,853.61	3,164.32	22,299.43	6,907.92	16,717.12
6	Interest and Financial Charges	6,907.20	6,273.58	2,903.95	17,484.92	7,846.26	11,900.63
7	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	2,011.49	1,580.03	260.37	4,814.51	(938.34)	4,816.49
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 + 8)	2,011.49	1,580.03	260.37	4,814.51	(938.34)	4,816.49
10	Tax Expense (Including Deferred Tax)	613.70	638.98	-	1,681.34	-	839.34
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	1,397.79	941.05	260.37	3,133.17	(938.34)	3,977.15
12	Extraordinary items (Net of Tax Expenses)	-	-	-	-	-	-
13	Net Profit / (Loss) for the Period (11 - 12)	1,397.79	941.05	260.37	3,133.17	(938.34)	3,977.15
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	69,119.84	66,579.84	66,579.84	69,119.84	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) (Not Annualised)						
(a)	Basic EPS (Rs.)	0.21	0.14	0.04	0.47	(0.14)	0.60
(b)	Diluted EPS (Rs.)	0.21	0.14	0.04	0.47	(0.14)	0.60
17	Aggregate of Public Shareholding						
	- No. of Shares	391,622,208	366,222,208	36,622,208	391,622,208	366,222,208	366,222,208
	- % of Shareholding	56.66%	55.00%	55.00%	56.66%	55.00%	55.00%
18	Promoter & Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	291,471,179	291,471,179	298,371,179	291,471,179	298,371,179	298,371,179
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	97.29%	97.29%	99.60%	97.29%	99.60%	99.60%
	- Percentage of shares (as a % of the total share capital of the company)	42.17%	43.78%	44.81%	42.17%	44.81%	44.81%
	b) Non-Encumbered						
	- Number of Shares	8,105,001	8,105,001	1,205,001	8,105,001	1,205,001	1,205,001
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	2.71%	2.71%	0.40%	2.71%	0.40%	0.40%
	- Percentage of shares (as a % of the total share capital of the company)	1.17%	1.22%	0.19%	1.17%	0.19%	0.19%

Notes:

- 1 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on February 10, 2012, and approved for release.
- 2 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.
- 3 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. 3,512.90 Lacs for the quarter ended December 31, 2011 and Rs. 10,448.96 Lacs for the nine months period ended December 31, 2011 (Rs. 3,067.55 Lacs for the corresponding quarter ended December 31, 2010 and Rs. 6893.96 Lacs for the nine months period ended December 31, 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.
- 4 During the quarter, 2,54,00,000 equity shares of Rs. 10 each were issued and allotted to the holders of 10% Fully, Compulsorily and Mandatorily Convertible Unsecured Debentures (CCDs) at a premium of Rs. 60 each. Listing of these equity shares is in the process.
- 5 During the quarter, the Company has allotted 1,05,00,000 Convertible Warrants to individual investors and 1,00,00,000 Convertible Warrants to one of the promoters of the Company @ Rs. 78 each, as approved by the shareholders at the 14th Annual General Meeting of the Company held on October 5, 2011. Each Warrant is convertible into one fully paid-up equity share of the Company of Rs. 10 each at a premium of Rs. 68 per equity share on receipt of balance amount payable on conversion, at any time prior to 18 months from the date of allotment of warrants. Against the above warrants, the Company received Rs. 3,997.50 Lacs being 25% of the total consideration of the warrants, which has been fully utilised for the purpose for these Warrants were issued.
- 6 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.
- 7 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.
- 8 The Company's activities during the period predominantly revolved around the Shipbuilding, Ship repair and related activities, accordingly there is only one reportable segment.
- 9 There were no complaints pending from investors at the beginning of the quarter, 10 complaints were received and resolved during the quarter ended December 31, 2011 and no complaint was outstanding as on December 31, 2011.

For Pipavav Defence and Offshore Engineering Company Limited

Place :- Mumbai
Date :- 10th February 2012

Bhavesh P. Gandhi
Executive Vice Chairman
DIN - 00030623