



Pipavav Defence and Offshore Engineering Company Limited

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

STATEMENT OF AUDITED RESULTS FOR THE YEAR ENDED MARCH 31, 2013

Rs in Lacs except share data

Sr. No.	Particulars	Standalone					Consolidated	
		3 months ended 31.03.2013	3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012 in the previous year	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2013	Previous year ended 31.03.2012
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
PART - 1								
1	Income from operations							
(a)	Net Income from Operations	72,445.60	61,907.34	60,231.49	250,902.02	185,150.17	250,902.02	185,150.17
(b)	Other Operating Income	260.00	192.33	1,519.69	7,744.79	1,556.30	7,744.79	1,556.30
	Total Income from operations (net)	72,705.60	62,099.67	61,751.18	258,646.81	186,706.47	258,646.81	186,706.47
2	Expenses							
(a)	Cost of Materials Consumed	2,744.33	3,802.82	12,113.78	28,016.07	49,877.97	28,016.07	49,877.97
(b)	Purchase of Stock - in - trade	40,176.52	26,554.11	25,601.92	106,939.89	51,662.25	106,939.89	51,662.25
(c)	Changes in Inventories of scrap and stock-in-trade	18.83	(43.26)	471.57	251.20	113.02	251.20	113.02
(d)	Employees benefits expense	1,588.77	1,287.12	1,496.73	5,309.49	4,578.09	5,355.31	4,621.97
(e)	Depreciation and amortisation expense	3,104.51	3,147.08	2,922.11	12,269.77	10,589.16	12,721.17	11,028.09
(f)	Cost Estimated for Revenue Recognised	3,539.54	1,356.36	(4,826.22)	16,913.89	(7,245.62)	16,913.89	(7,245.62)
(g)	Other Expenditure	11,570.97	15,032.18	13,906.12	47,719.20	46,533.71	46,745.69	45,655.33
	Total Expenses	62,743.47	51,136.41	51,686.01	217,419.51	156,108.58	216,943.22	155,713.01
3	Profit from operations before Other Income, Finance Costs & Exceptional Items (1-2)	9,962.13	10,963.26	10,065.17	41,227.30	30,597.89	41,703.59	30,993.46
4	Other Income	658.55	887.92	673.54	2,656.18	2,440.24	2,658.07	2,442.07
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	10,620.68	11,851.18	10,738.71	43,883.48	33,038.13	44,361.66	33,435.53
6	Finance Costs	9,496.26	10,363.08	8,283.26	39,745.96	25,768.18	39,877.60	25,768.28
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	1,124.42	1,488.10	2,455.45	4,137.52	7,269.95	4,484.06	7,667.25
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	1,124.42	1,488.10	2,455.45	4,137.52	7,269.95	4,484.06	7,667.25
10	Tax Expense (Including Deferred Tax)	299.97	483.16	3,737.04	1,265.42	5,418.38	1,377.49	5,525.98
11	Net Profit from Ordinary Activities after Tax (9-10)	824.45	1,004.94	(1,281.59)	2,872.10	1,851.57	3,106.57	2,141.27
12	Extraordinary items (Net of Tax Expense)	-	-	-	-	-	-	-
13	Net Profit for the Period (11-12)	824.45	1,004.94	(1,281.59)	2,872.10	1,851.57	3,106.57	2,141.27
14	Share of Profit of Associate	-	-	-	-	-	2.91	23.43
15	Net Profit after Taxes and share of profit of Associate (13+14)	824.45	1,004.94	(1,281.59)	2,872.10	1,851.57	3,109.48	2,164.70
16	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	70,119.84	70,119.84	69,119.84	70,119.84	69,119.84	70,119.84	69,119.84
17	Reserves excluding Revaluation Reserves as per audited Balance Sheet				134,445.83	124,773.73	135,625.07	125,715.63
18	Earnings Per Share (EPS) (Not Annualised)							
(a)	Basic EPS (Rs.)	0.12	0.15	(0.19)	0.41	0.27	0.45	0.32
(b)	Diluted EPS (Rs.)	0.12	0.15	(0.19)	0.41	0.27	0.45	0.32

PART - 2								
A - PARTICULARS OF SHAREHOLDING								
Sr No.	Particulars	3 months ended 31.03.2013	3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012 in the previous year	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2013	Previous year ended 31.03.2012
1	Public Shareholding							
	- Number of Shares	381,227,917	385,422,208	391,622,208	381,227,917	391,622,208	381,227,917	391,622,208
	- Percentage of Shareholding	54.37%	54.97%	56.66%	54.37%	56.66%	54.37%	56.66%
2	Promoters & Promoter Group Shareholding							
	a) Pledged / Encumbered							
	- Number of Shares	310,322,481	301,671,179	291,471,179	310,322,481	291,471,179	310,322,481	291,471,179
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	96.98%	95.53%	97.29%	96.98%	97.29%	96.98%	97.29%
	- Percentage of shares (as a % of the total share capital of the Company)	44.25%	43.02%	42.17%	44.25%	42.17%	44.25%	42.17%
	b) Non-Encumbered							
	- Number of Shares	9,647,990	14,105,001	8,105,001	9,647,990	8,105,001	9,647,990	8,105,001
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	3.02%	4.47%	2.71%	3.02%	2.71%	3.02%	2.71%
	- Percentage of shares (as a % of the total share capital of the Company)	1.38%	2.01%	1.17%	1.38%	1.17%	1.38%	1.17%

Sr No.	Particulars	3 months ended 31.03.2013
B - INVESTOR COMPLAINTS		
01	Pending at the beginning of the quarter	-
02	Received during the quarter	4
03	Disposed off during the quarter	4
04	Remaining unresolved at the end of the quarter	-

STATEMENT OF ASSETS AND LIABILITIES

Rs in Lacs

Particulars	Standalone		Consolidated	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Audited	Audited	Audited	Audited
A EQUITY AND LIABILITIES				
1) Shareholders' Funds				
a) Share Capital	70,119.84	69,119.84	70,119.84	69,119.84
b) Reserves and Surplus	134,445.83	124,773.73	135,625.07	125,715.63
c) Monies received against Convertible Warrants	2,047.50	3,997.50	2,047.50	3,997.50
Sub-total - Shareholders' funds	206,613.17	197,891.07	207,792.41	198,832.97
2) Non - Current Liabilities				
a) Long - Term Borrowings	215,052.01	100,177.22	220,380.42	100,177.22
b) Deferred Tax Liabilities (Net)	7,511.75	6,246.33	8,095.39	6,717.90
c) Other Long - Term Liabilities	14,247.53	19,436.59	14,747.53	19,936.59
d) Long - Term Provisions	100.89	99.86	104.75	103.24
Sub- total - Non - Current Liabilities	236,912.18	125,960.00	243,328.09	126,934.95
3) Current Liabilities				
a) Short Term Borrowings	215,194.55	172,319.58	228,194.55	172,330.10
b) Trade Payables	30,247.80	43,399.84	30,458.30	43,491.27
c) Other Current Liabilities	82,858.37	53,922.76	83,854.33	54,995.90
d) Short - Term Provisions	24,802.04	2,401.49	24,802.74	2,253.68
Sub- total - Current Liabilities	353,102.76	272,043.67	367,309.92	273,070.95
TOTAL - EQUITY AND LIABILITIES	796,628.11	595,894.74	818,430.42	598,838.87
B ASSETS				
1) Non - Current Assets				
a) Fixed Assets	488,398.53	276,948.18	504,806.04	291,716.72
b) Goodwill on Consolidation	-	-	1,018.16	1,017.96
c) Non-Current Investments	2,059.74	2,050.26	179.87	176.97
d) Long Term Loans and Advances	54,047.13	61,604.76	60,265.73	54,744.90
Sub- total - Non - Current Assets	544,505.40	340,603.20	566,269.80	347,656.55
2) Current Assets				
a) Current Investments	450.00	900.00	450.00	900.00
b) Inventories	16,280.45	33,910.19	16,280.45	33,910.19
c) Trade Receivables	89,599.10	90,942.09	89,599.10	90,942.12
d) Cash and Bank Balances	37,543.53	27,825.25	37,558.35	27,828.56
e) Short Term Loans and Advances	23,971.34	33,954.06	23,994.44	29,841.50
f) Other Current Assets	84,278.29	67,759.95	84,278.28	67,759.95
Sub- total - Current Assets	252,122.71	255,291.54	252,160.62	251,182.32
TOTAL - ASSETS	796,628.11	595,894.74	818,430.42	598,838.87

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

Rs in Lacs

Particulars	Standalone					Consolidated	
	3 months ended 31.03.2013	3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012 in the previous year	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2013	Previous year ended 31.03.2012
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1. Segment Revenue							
a) Ship-building & Fabrication	32,141.28	35,288.00	35,891.35	150,624.48	134,370.55	150,624.48	134,370.55
b) Trading	40,564.32	26,811.67	25,859.83	108,022.33	52,335.92	108,022.33	52,335.92
Total	72,705.60	62,099.67	61,751.18	258,646.81	186,706.47	258,646.81	186,706.47
Less : Inter-segment Revenue	-	-	-	-	-	-	-
Net Income from Operations	72,705.60	62,099.67	61,751.18	258,646.81	186,706.47	258,646.81	186,706.47
2. Segment Results (Profit before tax & interest from each segment)							
a) Ship-building & Fabrication	11,196.83	12,283.13	11,635.80	48,318.40	41,996.70	48,935.38	42,530.39
b) Trading	575.78	257.56	257.90	1,082.44	673.67	1,082.44	673.67
Total	11,772.61	12,540.69	11,893.70	49,400.84	42,670.37	50,017.82	43,204.06
Less : i) Finance Costs	9,496.26	10,363.08	8,283.26	39,745.96	25,768.18	39,877.60	25,768.28
ii) Other unallocable expenditure net off unallocated income	1,151.93	689.51	1,154.99	5,517.36	9,632.24	5,656.16	9,768.53
Total Profit Before Tax	1,124.42	1,488.10	2,455.45	4,137.52	7,269.95	4,484.06	7,667.25
3. Capital Employed (Segment Assets - Segment Liabilities)							
a) Ship-building & Fabrication	633,964.77	591,225.07	457,987.16	633,964.77	457,987.16	655,010.42	465,280.47
b) Trading	16,288.91	12,668.85	11,504.59	16,288.91	11,504.59	16,288.91	11,504.57
c) Unallocated	(443,640.51)	(398,105.20)	(271,600.68)	(443,640.51)	(271,600.68)	(463,506.92)	(277,952.07)
Total	206,613.17	205,788.72	197,891.07	206,613.17	197,891.07	207,792.41	198,832.97

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 - which includes Shipbuilding, 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 May 30, 2013, and approved for release.
- 02 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. 5,360.02 Lacs (Previous Year: Rs. 12,753.54 Lacs) for the year ended March 31, 2013 has been recognised as revenue in respect of Ships under construction as at March 31, 2013 on proportionate completion basis.
- 03 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, since most of the panamax vessels are sister vessels, the Company can deliver these vessels against orders for balance panamax vessels. Therefore the Company continues to recognise the revenue on these vessels and during the year the Company has recognised revenue of Rs. 17,761.95 Lacs (Previous Year: Rs. 29,047.63 Lacs) on these vessels and subsidy of Rs. 5,328.58 Lacs (Previous Year: Rs. 8,714.29 Lacs).
- 04 The Company's Phase II expansion is progressing. Land / site development, ground improvement, strengthening and hard-standing for withstanding required load-bearing etc have been fully completed. Other activities pertaining to construction of Phase II is currently going on.
- 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 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 In pursuance of the re-negotiation of certain contracts the customer agreed to forgo advances given by them and, accordingly during the year the company has accounted Rs. 6,336.59 Lacs (Previous Year: NIL) as other operating income.
- 07 On May 13th 2013, the Company has allotted 10,500,000 Equity Shares of Rs. 10 each at a premium of Rs. 68 per equity share pursuant to conversion of 10,500,000 convertible warrants issued to individual investors. Further on May 27th 2013, the Company has allotted 24,507,881 Equity Shares of Rs. 10 each at a premium of Rs. 72 per equity share to strategic investor SAAB Aktiebolag, (SAAB), a Sweden based company engaged in international defence, aerospace and security.
- 08 During the year PDOC Pte. Ltd., Singapore and Pipavav Marine & Offshore Ltd. became wholly owned subsidiary companies of the Company.
- 09 The Consolidated accounts have been prepared in accordance with Accounting Standards (AS) 21, on Consolidated Financial Statements and AS 23 on Accounting for Investments in Associates in Consolidated Financial Statements.
- 10 The figures for the quarter ended March 31, 2013 and March 31, 2012 are the balancing figures between audited figures in respect of the full financial year and the year to date figures upto the third quarter of the respective financial year. Figures in respect of the previous period/year have been regrouped or rearranged or reclassified wherever necessary to make them comparable.

For Pipavav Defence and Offshore
Engineering Company Limited

Bhavesh P. Gandhi
Executive Vice Chairman

Date :- May 30, 2013