

Pipavav Defence and Offshore Engineering Company Limited
CIN: L35110GJ1997PLC033193

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

STATEMENT OF AUDITED RESULTS FOR THE YEAR ENDED MARCH 31, 2014

Rs in Lacs except share data

Sr. No.	Particulars	Standalone					Consolidated	
		3 months ended 31.03.2014	3 months ended 31.12.2013	Corresponding 3 months ended 31.03.2013	Year Ended 31.03.2014	Year Ended 31.03.2013	Year ended 31.03.2014	Year ended 31.03.2013
		Refer Note No 9	Unaudited	Refer Note No 9	Audited	Audited	Audited	Audited
PART - 1								
1	Income from operations							
(a)	Net Income from Operations	44,910.44	31,403.43	72,445.60	226,720.63	250,902.02	252,189.16	250,902.02
(b)	Other Operating Income	159.09	404.77	260.00	1,178.69	7,744.79	1,178.69	7,744.79
	Total Income from operations (net)	45,069.53	31,808.20	72,705.60	227,899.32	258,646.81	253,367.85	258,646.81
2	Expenses							
(a)	Cost of Materials Consumed	2,841.44	3,819.99	2,744.33	26,665.58	28,016.07	26,665.58	28,016.07
(b)	Purchase of Stock - In - trade	9,334.41	2,170.22	40,176.52	47,690.56	106,939.89	72,915.27	106,939.89
(c)	Changes in Inventories of scrap and stock-in-trade	9.01	(27.99)	18.83	131.72	251.20	131.72	251.20
(d)	Employee benefits expenses	1,558.65	1,314.79	1,588.77	5,684.94	5,309.49	5,739.28	5,355.31
(e)	Depreciation and amortisation expenses	4,219.90	4,002.12	3,104.51	16,170.40	12,269.77	16,645.83	12,721.17
(f)	Cost Estimated for Revenue Recognised (Refer Note No. 04)	5,918.20	7,773.80	3,539.54	28,977.98	16,913.89	28,977.98	16,913.89
(g)	Other Expenditure (Refer Note No. 06)	11,393.96	4,256.54	11,570.97	57,273.16	47,719.20	56,384.35	46,745.69
	Total Expenses	35,275.57	23,309.47	62,743.47	182,594.34	217,419.51	207,460.01	216,943.22
3	Profit from operations before Other Income, Finance Costs & Exceptional Items (1-2)	9,793.96	8,498.73	9,962.13	45,304.98	41,227.30	45,907.84	41,703.59
4	Other Income	1,392.46	1,003.90	658.55	4,008.31	2,656.18	3,902.94	2,658.07
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	11,186.42	9,502.63	10,620.68	49,313.29	43,883.48	49,810.78	44,361.66
6	Finance Costs	9,587.81	10,198.78	9,496.26	46,520.81	39,745.96	47,746.95	39,877.60
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	1,598.61	(696.15)	1,124.42	2,792.48	4,137.52	2,063.83	4,484.06
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	1,598.61	(696.15)	1,124.42	2,792.48	4,137.52	2,063.83	4,484.06
10	Tax Expense (Including Deferred Tax)	1,468.11	(219.51)	299.97	1,956.73	1,265.42	1,800.03	1,377.49
11	Net Profit from Ordinary Activities after Tax (9-10)	130.50	(476.64)	824.45	835.75	2,872.10	263.80	3,106.57
12	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-	-
13	Net Profit for the Period (11-12)	130.50	(476.64)	824.45	835.75	2,872.10	263.80	3,106.57
14	Share of Profit of Associate	-	-	-	-	-	8.42	2.91
15	Net Profit after Taxes and share of profit of Associate (13+14)	130.50	(476.64)	824.45	835.75	2,872.10	272.22	3,109.48
16	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	73,620.63	70,119.84
17	Reserves excluding Revaluation Reserves as per audited Balance Sheet				160,067.25	134,445.83	160,682.92	135,625.07
18	Earnings Per Share (EPS) (* Not Annualised)							
(a)	Basic EPS (Rs.)	*0.02	*-0.06	*0.12	0.11	0.41	0.04	0.45
(b)	Diluted EPS (Rs.)	*0.02	*-0.06	*0.12	0.11	0.41	0.04	0.45

PART - 2

A - PARTICULARS OF SHAREHOLDING		3 months ended 31.03.2014	3 months ended 31.12.2013	Corresponding 3 months ended 31.03.2013	Year Ended 31.03.2014	Year Ended 31.03.2013	Year ended 31.03.2014	Year ended 31.03.2013
1	Public Shareholding							
	- Number of Shares	408,442,046	408,442,046	381,227,917	408,442,046	381,227,917	408,442,046	381,227,917
	- Percentage of Shareholding	55.48%	55.48%	54.37%	55.48%	54.37%	55.48%	54.37%
2	Promoters & Promoter Group Shareholding							
	a) Pledged / Encumbered							
	- Number of Shares	326,659,222	326,659,222	310,322,481	326,659,222	310,322,481	326,659,222	310,322,481
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.66%	99.66%	96.98%	99.66%	96.98%	99.66%	96.98%
	- Percentage of shares (as a % of the total share capital of the Company)	44.37%	44.37%	44.25%	44.37%	44.25%	44.37%	44.25%
	b) Non-Encumbered							
	- Number of Shares	1,105,001	1,105,001	9,647,990	1,105,001	9,647,990	1,105,001	9,647,990
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.34%	0.34%	3.02%	0.34%	3.02%	0.34%	3.02%
	- Percentage of shares (as a % of the total share capital of the Company)	0.15%	0.15%	1.38%	0.15%	1.38%	0.15%	1.38%

Sr.No. Particulars 3 months ended 31.03.2014

B - INVESTOR COMPLAINTS		3 months ended 31.03.2014
01	Pending at the beginning of the quarter	-
02	Received during the quarter	2
03	Disposed off during the quarter	2
04	Remaining unresolved at the end of the quarter	-



STATEMENT OF ASSETS AND LIABILITIES

Rs in Lacs

Particulars	Standalone		Consolidated	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
	Audited	Audited	Audited	Audited
A EQUITY AND LIABILITIES				
1) Shareholders' Funds				
a) Share Capital	73,620.63	70,119.84	73,620.63	70,119.84
b) Reserves and Surplus	160,067.25	134,445.83	160,682.92	135,625.07
c) Monies received against Convertible Warrants	-	2,047.50	-	2,047.50
Sub-total - Shareholders' funds	233,687.88	206,613.17	234,303.55	207,792.41
2) Non - Current Liabilities				
a) Long - Term Borrowings	207,463.35	215,052.01	209,658.52	220,380.42
b) Deferred Tax Liabilities (Net)	9,468.49	7,511.75	9,895.99	8,095.39
c) Other Long - Term Liabilities	14,270.69	14,247.53	14,770.69	14,747.53
d) Long - Term Provisions	278.38	100.89	282.91	104.75
Sub- total - Non - Current Liabilities	231,480.91	236,912.18	234,608.11	243,328.09
3) Current Liabilities				
a) Short Term Borrowings	255,105.40	215,194.55	270,410.61	228,194.55
b) Trade Payables	28,204.44	30,247.80	31,608.87	30,458.30
c) Other Current Liabilities *	159,565.45	82,858.37	185,639.16	83,854.33
d) Short - Term Provisions	51,701.03	24,802.04	51,701.92	24,802.74
Sub- total - Current Liabilities	494,576.32	353,102.76	539,360.56	367,309.92
TOTAL - EQUITY AND LIABILITIES	959,745.11	796,628.11	1,008,272.22	818,430.42
B ASSETS				
1) Non - Current Assets				
a) Fixed Assets	587,276.33	488,398.53	607,249.49	504,806.04
b) Goodwill on Consolidation	-	-	1,018.22	1,018.16
c) Non-Current Investments	2,060.74	2,059.74	188.28	179.87
d) Long Term Loans and Advances	52,984.40	54,047.13	79,480.91	60,265.73
Sub- total - Non - Current Assets	642,321.47	544,505.40	687,936.90	566,269.80
2) Current Assets				
a) Current Investments	-	450.00	-	450.00
b) Inventories	23,094.30	16,280.45	23,094.30	16,280.45
c) Trade Receivables	135,123.96	89,599.10	139,558.23	89,599.10
d) Cash and Bank Balances	38,415.38	37,543.53	38,435.31	37,558.35
e) Short Term Loans and Advances	41,130.86	23,971.34	39,588.34	23,994.44
f) Other Current Assets	79,659.14	84,278.29	79,659.14	84,278.28
Sub- total - Current Assets	317,423.64	252,122.71	320,335.32	252,160.62
TOTAL - ASSETS	959,745.11	796,628.11	1,008,272.22	818,430.42

* Includes Rs. 58,893.36 Lacs as at March 31, 2014, for which matter is under litigation and counsel of the Company is of the opinion that the matter may take more than a year's time to get settled.

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 31.03.2014	3 months ended 31.12.2013	Corresponding 3 months ended 31.03.2013	Year Ended 31.03.2014	Year Ended 31.03.2013	Year ended 31.03.2014	Year ended 31.03.2013
	Refer Note No 9	Unaudited	Refer Note No 9	Audited	Audited	Audited	Audited
1. Segment Revenue							
a) Ship-building & Fabrication	35,641.83	29,616.83	32,141.28	179,716.92	150,624.48	179,716.92	150,624.48
b) Trading	9,427.70	2,191.37	40,564.32	48,182.40	108,022.33	73,650.93	108,022.33
Total	45,069.53	31,808.20	72,705.60	227,899.32	258,646.81	253,367.85	258,646.81
Less : Inter-segment Revenue	-	-	-	-	-	-	-
Net Income from Operations	45,069.53	31,808.20	72,705.60	227,899.32	258,646.81	253,367.85	258,646.81
2. Segment Results							
(Profit before tax & interest from each segment)							
a) Ship-building & Fabrication	12,460.55	8,104.36	11,196.83	49,388.20	48,318.40	49,514.21	48,935.38
b) Trading	93.29	21.15	575.78	491.84	1,082.44	735.66	1,082.44
Total	12,553.84	8,125.51	11,772.61	49,880.04	49,400.84	50,249.87	50,017.82
Less : i) Finance Costs	9,587.81	10,198.78	9,496.26	46,520.81	39,745.96	47,746.95	39,877.60
ii) Other unallocable expenditure net off unallocated income	1,367.42	(1,377.12)	1,151.93	566.75	5,517.36	439.09	5,656.16
Total Profit Before Tax	1,598.61	(696.15)	1,124.42	2,792.48	4,137.52	2,063.83	4,484.06
3. Capital Employed							
(Segment Assets - Segment Liabilities)							
a) Ship-building & Fabrication	754,916.43	743,290.81	633,964.77	754,916.43	633,964.77	711,184.08	655,010.42
b) Trading	22,994.63	22,901.41	16,288.91	22,994.63	16,288.91	24,281.06	16,288.91
c) Unallocated	(544,223.18)	(532,634.84)	(443,640.51)	(544,223.18)	(443,640.51)	(501,161.59)	(463,506.92)
Total	233,687.88	233,557.38	206,613.17	233,687.88	206,613.17	234,303.55	207,792.41

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 Accounting Standard (AS) 17 on Segment Reporting:

- Ship building and Fabrication includes shipbuilding, block manufacturing, ship and rig repairs, fabrication etc. at its SEZ and EOU units situated at Pipavay, Gujarat.
- 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, 2014, 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 or as per the price reasonableness certificate received from Ministry of Shipping, Government of India, as the case may be. Accordingly Government Subsidy of Rs. 4,141.10 Lacs for the year ended March 31, 2014 (Previous Year Rs. 5,360.02 Lacs) has been recognised as revenue including in respect of Ships under construction on proportionate completion basis as at March 31, 2014.
- 03 The Company's expansion plan has picked up since last quarter and the Company is in the process of availing funds out of balance Term Loan tie up in order to achieve progress on continuous basis.
- 04 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".
- 05 During the year 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 Rs. 24,785.67 Lacs respectively.
- 06 Other Expenditure includes reversal of subsidy receivables of Rs. 3,636.19 Lacs and Rs. 9,320.92 Lacs for the quarter and year ended March 31, 2014.
- 07 During the year Pipavav Lighter Than Air Systems Private Limited became wholly owned subsidiary of the Company.
- 08 The consolidated accounts have been prepared in accordance with Accounting Standard (AS) 21 on Consolidated financial Statements and Accounting Standard (AS) 23 on Accounting for Investment in Associates in Consolidated Financial Statements.
- 09 The figures for the quarter ended March 31, 2014 and March 31, 2013 are the balancing figures between audited figures in respect of full financial year and the year to date figure up to the third quarter of the respective financial year. Previous quarter / year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary, to make them comparable.



**For Pipavav Defence and Offshore
Engineering Company Limited**

A handwritten signature in blue ink, appearing to read "Bh P. Gandhi".

**Bhavesh P. Gandhi
Executive Vice Chairman**

Place :- Mumbai
Date :- May 30, 2014