

Pipavav Defence and Offshore Engineering Company Limited

CIN: L35110GJ1997PLC033193

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

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014

Rs in Lacs except share data

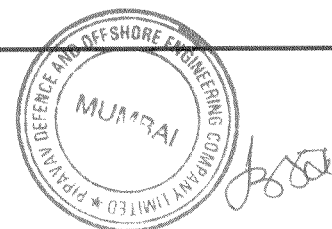
Sr. No.	Particulars	Standalone					
		3 months ended 30.09.2014	Preceding 3 months ended 30.06.2014	Corresponding 3 months ended 30.09.2013	6 months ended 30.09.2014	Corresponding 6 months ended 30.09.2013	Year ended 31.03.2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
PART - 1							
1	Income from operations						
(a)	Net Income from Operations	20,817.36	31,553.36	80,477.91	52,370.72	150,406.76	226,720.63
(b)	Other Operating Income	397.64	93.68	268.45	491.32	614.83	1,178.69
	Total Income from operations (net)	21,215.00	31,647.04	80,746.36	52,862.04	151,021.59	227,899.32
2	Expenses						
(a)	Cost of Materials Consumed	3,146.03	1,054.18	11,337.10	4,200.21	20,004.15	26,665.58
(b)	Purchase of Stock - in - trade	1,243.36	1,804.01	11,707.32	3,047.37	36,185.93	47,690.56
(c)	Changes in Inventories of scrap and work in progress	(86.03)	(15.72)	7,134.25	(101.75)	150.70	131.72
(d)	Employees benefits expense	1,411.49	1,589.97	1,316.56	3,001.46	2,811.50	5,684.94
(e)	Depreciation and amortisation expense	1,338.82	5,038.37	3,997.91	6,377.19	7,948.38	16,170.40
(f)	Labour and Fabrication Charges	2,120.06	2,965.11	2,639.06	5,085.17	5,001.18	10,804.67
(g)	Cost Estimated for Revenue Recognised (Refer Note No. 04)	1,237.86	4,297.44	4,131.42	5,535.30	15,285.98	28,977.98
(h)	Other Expenditure (Refer Note No. 07)	8,165.01	5,901.91	27,779.21	14,066.92	41,769.01	46,468.49
	Total Expenses	18,576.60	22,635.27	70,042.83	41,211.87	129,156.83	182,594.34
3	Profit from operations before Other Income, Finance Costs & Exceptional Items (1-2)	2,638.40	9,011.77	10,703.53	11,650.17	21,864.76	45,304.98
4	Other Income	414.07	1,200.40	818.73	1,614.47	1,611.95	4,008.31
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	3,052.47	10,212.17	11,522.26	13,264.64	23,476.71	49,313.29
6	Finance Costs	10,635.49	9,470.20	10,793.39	20,105.69	21,586.69	46,520.81
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(7,583.02)	741.97	728.87	(6,841.05)	1,890.02	2,792.48
8	Exceptional Items	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	(7,583.02)	741.97	728.87	(6,841.05)	1,890.02	2,792.48
10	Tax Expense (Including Deferred Tax)	(750.06)	185.63	275.18	(564.43)	708.13	1,956.73
11	Net Profit from Ordinary Activities after Tax (9-10)	(6,832.96)	556.34	453.69	(6,276.62)	1,181.89	835.75
12	Extraordinary items (Net of Tax Expense)	-	-	-	-	-	-
13	Net Profit for the Period (11-12)	(6,832.96)	556.34	453.69	(6,276.62)	1,181.89	835.75
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	73,620.63	73,620.63	73,620.63	73,620.63	73,620.63	73,620.63
15	Reserves excluding Revaluation Reserves as per audited Balance Sheet of previous accounting year						160,067.25
16	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (Rs.)	* (0.93)	* 0.08	* 0.06	* (0.85)	* 0.16	0.11
(b)	Diluted EPS (Rs.)	* (0.93)	* 0.08	* 0.06	* (0.85)	* 0.16	0.11

PART - 2

A - PARTICULARS OF SHAREHOLDING

1	Public Shareholding						
-	Number of Shares	408,584,546	408,442,046	408,442,046	408,584,546	408,442,046	408,442,046
-	Percentage of Shareholding	55.50%	55.48%	55.48%	55.50%	55.48%	55.48%
2	Promoters & Promoter Group Shareholding						
a)	Pledged / Encumbered						
-	Number of Shares	326,516,722	326,659,222	326,659,222	326,516,722	326,659,222	326,659,222
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.66%	99.66%	99.66%	99.66%	99.66%	99.66%
-	Percentage of shares (as a % of the total share capital of the Company)	44.35%	44.37%	44.37%	44.35%	44.37%	44.37%
b)	Non-Encumbered						
-	Number of Shares	1,105,001	1,105,001	1,105,001	1,105,001	1,105,001	1,105,001
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.34%	0.34%	0.34%	0.34%	0.34%	0.34%
-	Percentage of shares (as a % of the total share capital of the Company)	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%

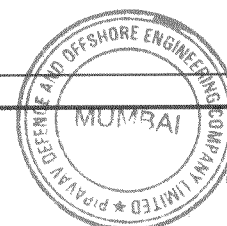
Sr No.	Particulars	3 months ended 30.09.2014
B - INVESTOR COMPLAINTS		
01	Pending at the beginning of the quarter	-
02	Received during the quarter	20
03	Disposed off during the quarter	20
04	Remaining unresolved at the end of the quarter	-



STATEMENT OF ASSETS AND LIABILITIES

Rs in Laacs

Particulars	Standalone	
	As at 30.09.2014	As at 31.03.2014
	Unaudited	Audited
A EQUITY AND LIABILITIES		
1) Shareholders' Funds		
a) Share Capital	73,620.63	73,620.63
b) Reserves and Surplus	153,673.26	160,067.25
Sub-total - Shareholders' funds	227,293.89	233,687.88
2) Non - Current Liabilities		
a) Long - Term Borrowings	241,413.18	207,463.35
b) Deferred Tax Liabilities (Net)	8,843.62	9,468.49
c) Other Long - Term Liabilities	15,976.69	14,270.69
d) Long - Term Provisions	355.68	278.38
Sub- total - Non - Current Liabilities	266,589.17	231,480.91
3) Current Liabilities		
a) Short Term Borrowings	254,792.93	255,105.40
b) Trade Payables	27,714.99	28,204.44
c) Other Current Liabilities	145,482.10	159,565.45
d) Short - Term Provisions	57,250.59	51,701.03
Sub- total - Current Liabilities	485,240.61	494,576.32
TOTAL - EQUITY AND LIABILITIES	979,123.67	959,745.11
B ASSETS		
1) Non - Current Assets		
a) Fixed Assets	623,216.80	587,276.33
b) Non-Current Investments	2,073.74	2,060.74
c) Long Term Loans and Advances	56,232.76	52,984.40
Sub- total - Non - Current Assets	681,523.30	642,321.47
2) Current Assets		
a) Inventories	33,828.03	23,094.30
b) Trade Receivables	125,548.39	135,123.96
c) Cash and Bank Balances	28,839.72	38,415.38
d) Short Term Loans and Advances	45,876.75	41,130.86
e) Other Current Assets	63,507.48	79,659.14
Sub- total - Current Assets	297,600.37	317,423.64
TOTAL - ASSETS	979,123.67	959,745.11



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

Rs in Lacs

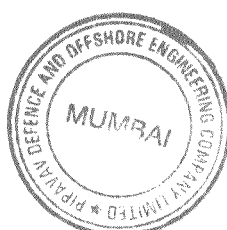
Particulars	Standalone					
	3 months ended 30.09.2014	Preceding 3 months ended 30.06.2014	Corresponding 3 months ended 30.09.2013	6 months ended 30.09.2014	Corresponding 6 months ended 30.09.2013	Year ended 31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a) Ship-building & Fabrication	19,959.38	29,824.67	61,698.04	49,784.05	114,458.26	179,716.92
b) Trading	1,255.62	1,822.37	19,048.32	3,077.99	36,563.33	48,182.40
Total	21,215.00	31,647.04	80,746.36	52,862.04	151,021.59	227,899.32
Less : Inter-segment Revenue	-	-	-	-	-	-
Net Income from Operations	21,215.00	31,647.04	80,746.36	52,862.04	151,021.59	227,899.32
2. Segment Results (Profit before tax & interest from each segment)						
a) Ship-building & Fabrication	3,660.55	10,008.79	13,657.93	13,669.34	28,823.29	49,388.20
b) Trading	12.26	18.36	190.13	30.62	377.40	491.84
Total	3,672.81	10,027.15	13,848.06	13,699.96	29,200.69	49,880.04
Less : i) Finance Costs	10,635.49	9,470.20	10,793.39	20,105.69	21,586.69	46,520.81
ii) Other unallocable expenditure net off unallocated income	620.34	(185.02)	2,325.80	435.32	5,723.98	566.75
Total Profit Before Tax	(7,583.02)	741.97	728.87	(6,841.05)	1,890.02	2,792.48
3. Capital Employed (Segment Assets - Segment Liabilities)						
a) Ship-building & Fabrication	779,075.33	754,895.92	732,709.56	779,075.33	732,709.56	754,916.43
b) Trading	20,145.15	20,634.91	20,831.05	20,145.15	20,831.05	22,994.63
c) Unallocated	(571,926.59)	(543,854.99)	(519,506.58)	(571,926.59)	(519,506.58)	(544,223.18)
Total	227,293.89	231,675.84	234,034.03	227,293.89	234,034.03	233,687.88

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:

- i) Ship building and Fabrication includes shipbuilding, block manufacturing, 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 November 14, 2014, 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 The Company is pursuing to tie-up balance funds in order to achieve progress on continuous basis for its Capex plans. The Company is in discussions with Joint Lenders Forum (JLF) with regard to review of various financial facilities and reassessment required and the same is under consideration by JLF.
- 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 statement of profit and loss as "cost estimated for revenue recognised".
- 05 In respect of Trade Receivables outstanding for more than six months, there have been recoveries during the period and management is of the view that the receivables are good and no provision for doubtful debts is required.
- 06 In view of notification no G.S.R. 627(E) dated 29th August 2014 issued by Ministry of Corporate Affairs, the Company has technically evaluated useful life of the certain fixed assets and provided depreciation based on such useful life w.e.f. April 1, 2014. Accordingly depreciation for the quarter ended 30th September, 2014 is the balancing figure between the depreciation for the half year ended 30th September 2014 and Depreciation already provided for the quarter ended 30th June 2014. The depreciation of Rs. 117.37 Lacs (net of deferred tax) on account of assets whose useful life already exhausted as on 1st April, 2014 have been adjusted against the retained earnings.
- 07 Other Expenditure includes reversal of subsidy receivables of Rs. 2568.33 lacs and Rs. 4292.29 lacs for the quarter and half year ended 30th September 2014.
- 08 Subsequent to the quarter end Pipavav Engineering and Defence Services Limited has become wholly owned subsidiary of the Company.
- 09 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.
- 10 Previous quarter / year 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

[Signature]

Bhavesh P. Gandhi
Executive Vice Chairman

Place :- Mumbai
Date :- November 14, 2014