

FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2015

Particulars	Quarter Ended			(Rs. In crores)
				Year Ended
	Standalone			
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
	Unaudited	Unaudited	Unaudited	Audited
Income from Operations:				
Net Sales / Income from Operations	20.88	20.52	264.04	385.74
Other Operating Income	-	1.40	1.91	6.39
Total Income from operations	20.88	21.92	265.95	392.13
Expenses:				
a. Cost of Material consumed	16.69	70.14	46.11	135.84
b. Purchase of Stock in Trade	-	-	-	0.61
c. Change in inventories of finished goods, Work in progress and stock in trade	(1.96)	(10.41)	56.18	90.97
d. Employees benefit expenses	15.60	16.94	15.22	65.45
e. Depreciation and amortisation expenses	20.29	11.11	13.19	99.18
f. Other Expenses	21.47	193.42	56.04	390.73
Total Expenses	72.09	281.20	186.74	782.78
Profit (Loss) from operation before other income, finance cost and exceptional items	(51.21)	(259.28)	79.21	(390.65)
Other Income	0.76	(7.87)	12.84	9.55
Profit (Loss) from ordinary activities before finance cost & exceptional items	(50.45)	(267.15)	92.05	(381.10)
Finance cost	199.17	218.01	176.25	804.79
Profit (Loss) from ordinary activities after finance cost but before exceptional items	(249.62)	(485.16)	(84.20)	(1,185.89)
Exceptional Items	-	-	-	-
Profit (Loss) from ordinary activities before Tax	(249.62)	(485.16)	(84.20)	(1,185.89)
Tax Expense	-	(110.30)	(28.62)	(288.19)
Net Profit (Loss) from Ordinary activities after tax	(249.62)	(374.86)	(55.58)	(897.70)
Extraordinary items (Net of Tax Expense)	-	-	-	-
Net Profit (Loss) for the period	(249.62)	(374.86)	(55.58)	(897.70)
Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	53.90	53.84	51.00	53.84
Reserves and Surplus (excluding Revaluation Reserve)	-	-	-	452.98
Basic and Diluted EPS before extraordinary items (In Rupees) (Not Annualised)	(46.36)	(75.22)	(10.92)	(172.91)
Basic and Diluted EPS after extraordinary items (In Rupees) (Not Annualised)	(46.36)	(75.22)	(10.92)	(172.91)
PARTICULARS OF SHAREHOLDING				
Public Shareholding				
- Number of Shares	23,871,934	22,253,529	16,280,744	22,253,529
- Percentage of Shareholding	44.29%	41.33%	31.97%	41.33%
Promoter and Promoter Group Shareholding				
a. Pledged / Encumbered				
- Number of shares	28,562,369	30,116,698	32,155,002	30,116,698
- Percentage of shareholding (as a % of total shareholding of promoter and promoter group)	95.11%	95.35%	92.82%	95.35%
- Percentage of shareholding (as a % of total share capital of the company)	52.99%	55.94%	63.15%	55.94%
b. Non- Encumbered				
- Number of shares	1,469,342	1,469,342	2,466,055	1,469,342
- Percentage of shareholding (as a % of total shareholding of promoter and promoter group)	4.89%	4.65%	7.18%	4.65%
- Percentage of shareholding (as a % of total share capital of the company)	2.73%	2.73%	4.88%	2.73%

Notes:

1. The above results for the quarter ended 30th June, 2015 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 13th August, 2015. The Statutory Auditors have carried out the 'Limited Review' of the results.

2. The global shipbuilding industry is passing through a very bad phase with all the major shipyards showing huge losses in results declared in recent past. As such, the company's performance is in line with the industry trend.

3 During the quarter the company has continued to make efforts to enhance its operations but progress of construction of the vessels was affected due to factors such as unavailability of working capital finance resulting into non availability of required materials, reduced production levels at various yards, etc. On the instruction of the lenders, the company is in the process of completing the pending work on few identified vessels only. Due to such exceptional circumstances, the manufacturing process over the remaining vessels is suspended. Hence overhead absorption over such vessels has also been suspended. Accordingly, overhead and interest absorption had been done only over ongoing vessels resulting in increased losses.

4. In accordance with Accounting Standard -7, the company recognises its estimated foreseeable losses upon its occurrence. However, in light of the recessionary trend in ship building industry, the management is in process of re-evaluating its Work in Progress (WIP) to benchmark the carrying cost with the estimated realisable value of such WIP. The impact of such evaluation on carrying cost of the WIP as on 30th June, 2015, is unascertainable.

5. The Corporate Debt Restructuring ("the CDR") Package was approved by the CDR (EG) at its meeting held on 24th March 2014, and communicated to the Company by the CDR Cell vide provisional Letter of approval dated 27th March 2014 bearing reference number CDR (PMU) NO.1193/2013-14. The status of CDR is as follow:

a. Priority debts disbursed till date Rs. 387.95 Crores.

b. Pursuant to the scheme of CDR, the Company has allotted total 32,59,91,204 Nos. of 0.01 % Compulsorily Convertible Preference Shares (CCPS) of Face Value Rs.10/- each to CDR lenders towards conversion of the Funded Interest Term Loan (FITL)/ Interest on FITL, if any, till 30th June 2015.

c. Pursuant to the scheme of CDR, the company has allotted total 29,81,844 nos. of equity shares of Rs. 10 /-each at a premium of Rs. 265.92 per equity shares to the CDR lenders towards conversion of the Funded interest Term Loan (FITL)/Interest on FITL, if any, till 30th June 2015.

6. The company has one identifiable, reportable segment, namely 'Construction of Ships & Rigs' as per quantitative criteria of Accounting Standard -17 'Segment Reporting'.

7. Owing to current year's losses no current tax liability has been provided.

8. Figures for the previous year / period have been regrouped and / or reclassified wherever considered necessary.

9. Investor Complaints:

Pending at the beginning of the quarter	NIL
Received during the quarter	3
Resolved during the quarter	3
Unresolved at the end of the quarter	NIL

By the order of the Board

Place: Mumbai
Date :13th August, 2015

(Syed Abdi)
Managing Director & CEO

LIMITED REVIEW REPORT

To,
The Board of Directors,
ABG SHIPYARD LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results ('the statement') of **ABG SHIPYARD LIMITED (the company)** for the quarter ended 30th June, 2015, prepared by the Company pursuant to the clause 41 of the Listing Agreements with the stock exchanges in India, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Financial Statements are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
4. Attention is invited to the following matters read with notes forming part of the statement:

Emphasis of Matter

- a. *The company follows accounting practice of recognizing revenue under Accounting Standard 7 on the basis of estimated cost; cost so far incurred and estimated profit out of shipbuilding contract. The cost estimates are done by the management and we have relied on the same;*
- b. *The company is in the process of evaluating the difference, if any in respect of carrying cost and net realizable value of Work in progress in respect of ships/ rigs under construction. In the absence of the same the impact to that extent on the results remains unascertained. (refer note no 4)*
- c. *Loan statements pertaining to certain loans have not been received / reconciled and due to pending clarification from banks for certain current/ cash credit accounts, entries have not been booked, hence the effect, if any, of the same on financial statements remains unascertained;*



- d. *Internal control systems in relation to timely and proper recording of the expense transactions need to be strengthened.*

Our report is not modified in respect of the above matters.

5. Based on our review conducted as above, except for the possible effects of the matters described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results, has not been prepared in accordance with Accounting Standards as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges including the manner in which it is to be disclosed or that it contains any material misstatement.

For NISAR & KUMAR
Chartered Accountants
FRN. 107117W



CA M N AHMED
Partner
M No.018380



For GMJ & Co
Chartered Accountants
FRN. 103429W



CA ATUL JAIN
Partner
M. No. 037097



PLACE: Mumbai
DATE : 13th August, 2015