

RELIANCE NAVAL AND ENGINEERING LIMITED

Pipavav Port, Post - Uchhaiya, Via - Rajula, Dist. - Amreli, PIN - 365 560, Gujarat
CIN - L35110GJ1997PLC033193 Phone No.: +91 22 4058 7300 Email: rnel@swan.co.in

SDHIL/SE/31/2024-25

November 11, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

BSE Scrip Code : 533107

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

NSE Symbol : RNAVAL

Subject: Outcome of Board Meeting held on November 11, 2024

Dear Sir/Madam,

Pursuant to the Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“Listing Regulations”), we hereby submit the following results. These results have been approved by Board of Directors of the Company at its Meeting held today i.e., November 11, 2024:

- a) unaudited financial results for the quarter and nine months ended December 31, 2022 (standalone & consolidated) along with the Limited Review Reports of the Auditors thereon
- b) audited financial results for the quarter and year ended March 31, 2023 (standalone & consolidated) along with the report of the Auditors thereon and statement on impact of audit qualifications
- c) unaudited financial results for the quarter ended June 30, 2023 (standalone & consolidated) along with the Limited Review Reports of the Auditors thereon
- d) unaudited financial results for the quarter and half year ended September 30, 2023 (standalone & consolidated) along with the Limited Review Reports of the Auditors thereon
- e) unaudited financial results for the quarter and nine months ended December 31, 2023 (standalone & consolidated) along with the Limited Review Reports of the Auditors thereon
- f) audited financial results for the quarter and year ended March 31, 2024 (standalone & consolidated) along with the report of the Auditors thereon and a declaration as required
- g) unaudited financial results for the quarter ended June 30, 2024 (standalone & consolidated) along with the Limited Review Reports of the Auditors thereon
- h) unaudited financial results for the quarter and half year ended September 30, 2024 (standalone & consolidated) along with the Limited Review Reports of the Auditors thereon

The Board meeting commenced today at 11:30 AM. and results are signed at 7.45 P.M.

This is for your information and records.

Thanking you,

Yours truly,

For **Reliance Naval and Engineering Limited**

(Vishant Shetty)

Company Secretary

Enclosed as above

N. N. Jambusaria & Co.

Chartered Accountants

Independent Auditor's Review Report on Unaudited Consolidated Financial Results of Reliance Naval & Engineering Limited (the 'Company') for the Quarter and nine months ended December 31, 2022 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")

To

The Board of Directors of Reliance Naval and Engineering Limited
Review Report on the unaudited Consolidated Financial Results

1. The Hon'ble National Company Law Tribunal ("NCLT"), vide its order dated January 15, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code, 2016. The said NCLT Order also records the appointment of Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13, 2020, the Committee of Creditors (the "CoC") had replaced the existing IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5, 2020. Subsequently, in COC meeting dated February 23, 2022, the resolution plan submitted by Hazel Mercantile Limited (Resolution applicant) was approved, and subsequently was approved by NCLT vide its order dated December 23, 2022.

As per the provision of resolution plan, a Monitoring Committee was appointed to implement the plan and monitor the operations of company till the takeover of control by newly appointed board. The Monitoring Committee got discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the company were given full authority to manage the affairs of the Company in accordance with the provisions of Companies Act, 2013

During the CRIP Tenure i.e., from January 15, 2020, to December 22, 2022, the powers of the Erstwhile Boards of Directors were suspended. And in such tenure the powers of the Board were exercised by the RP. The RP, in capacity of an authorized person, prepared the Standalone Financial results of company for the quarter and nine months ended December 31, 2022, and signed the same on December 08, 2023, which was reviewed by the ex-stutory auditor, Pipara & Co LLP. Further, as informed by the new management, due to non-availability of financial information of subsidiaries and associates of Holding Company, the unaudited consolidated financial results for the quarter and nine months ended December 31, 2022, were not being prepared by the Resolution Professional and hence in the absence of required financial information the ex-auditor could not review.

2. We were engaged to review the accompanying statement of unaudited Consolidated financial results of Reliance Naval & Engineering Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') which include the Group's share of net profit/(loss) after tax in its associates, for the quarter and nine months ended December 31, 2022 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").



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3. Currently for the compliance to the provisions of Companies Act, 2013, newly appointed board of Directors had undertaken efforts to collect financial information of subsidiaries and associates, wherein they had received the information of associate and accordingly prepared the accompanying financial results with best available information.

Despite of efforts undertaken by the new management of Holding company, financial information of subsidiaries were not available and accordingly, were not consolidated in the Unaudited Consolidated Financial Results and accordingly, we are not been able to ascertain the financial impact of the balances and transaction of subsidiaries in the Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2022.

4. This statement which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act 2013 ("the Act") and other accounting principles generally accepted in India and in compliance with Regulation 33 of the 'Listing Regulations'. Our responsibility is to express a conclusion on the Statement based on our review.
5. This statement of the company have been prepared by the Holding Company's management relying on the unaudited Standalone Financial results ("as restated") of Holding Company for the quarter and nine months ended December 31, 2022 as adopted and signed by the new management of the company.
6. The statement of Holding company for the quarter and nine months ended December 31, 2022, have been finalized on November 11, 2024. Accordingly, as required under "SA-560 - Subsequent Events" we have performed audit procedures designed to obtain sufficient appropriate audit evidence that all events occurring between the date of the financial statements and the date of the review report that require adjustment of, or disclosure in, the financial statements have been identified and accordingly dealt with in the unaudited consolidated financial results
7. We conducted our review of the restated statement in accordance with the standard on Review Engagement (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 statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



8. The statement includes the result of the following entity: -

Sr.No	Name of the associate
1	Conceptia Software Technologies Private Limited

9. The Standalone Financial results of Holding company for the nine months ended December 31, 2022 have been prepared on the basis of the trial balance for the period ended December 31, 2022 which includes the impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company and the same has been reflected as Recasting Gain/Loss under the exceptional items in the Financial results as on December 31, 2022. The recasting Gain/loss booked in the financial results have the effect from carrying balance of assets and liabilities as at March 31, 2020, and in turn as at March 31, 2021 and March 31, 2022. Prior to the commencement of CIRP, the Board of Directors, whose powers were subsequently suspended during the CRIP, had oversight on the management of the affairs of the company together with the KMPs for the year ended March 31, 2020. Since the new management has been granted full control of the affairs of the company with effect from January 04, 2024, the new management does not assure the accuracy and reliability of the opening balances as at April 01, 2020.
10. As per SA 510, para 10, read with SA 705(Revised) as applicable, when an auditor is unable to obtain the sufficient appropriate audit evidence regarding the opening balances, the auditor shall express an opinion (qualified opinion or a disclaimer of opinion), as appropriate, in accordance with SA 705 (Revised). Since the new management has incorporated the impact of audit qualifications, impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company into the financial results as a recasting gain/loss under the exceptional item, we qualify our opinion to the extent of opening balances being reduced through recasting effect.
11. Based on our review conducted and procedures performed as stated in paragraph 7 above, except for the possible effects of matters described in the Basis for Qualified Conclusion paragraph 9 and 10, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter Paragraph

12. We draw your attention to Note 6 of the Statement which states that the new management has decided to implement the resolution Plan approved under corporate insolvency resolution process by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad vide its Order dated December 23, 2022. Pursuant to the Order, the new management gave the impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained of the Company into the financial results, totalling to INR 19,52,132.53 lakhs in the profit & loss account as



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recasting gain under the exceptional items. The said amount of INR 19,52,132.53 lakhs comprises of effect of resolution plan of INR 20,20,852.12 lakhs and the other effects of changes in the position of assets and liabilities arising out of reassessment of their existence of INR (68,719.59) lakhs. We also draw your attention to the same note wherein previously impaired assets were written off during the year of INR 7,05,071.14 lakhs and have no impact on recasting gain.

13. We draw your attention to Note 8 the Statement which states that amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defence (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Notice, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.

Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlying how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing the Company has conservatively decided to write off the same.

14. We draw your attention to Note 9 and 10 of the Statement which states that the company has 5 subsidiaries and 1 associate out of which three wholly owned subsidiaries of the Company were admitted under NCLT and IRP / RP were appointed and accordingly investment in these companies have been impaired in previous years. Out of the three wholly owned subsidiaries of the company, one subsidiary E-Complex Private Limited, impairment created in the earlier years is still carried in the books of accounts and two subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited, impairment has been reversed and considered for write-off from the books of accounts during the year. Following is the status of Subsidiary and Associate Companies:

Sr. No.	Name of Company	Nature of Entity	Status
1.	E Complex Private Limited	Subsidiary	Resolution Plan Approved on December 04, 2023



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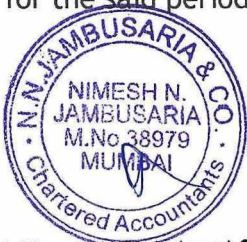
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			which has been set aside by NCLAT by its order dated July 25, 2024
2.	RMOI Engineering and Offshore Limited	Subsidiary	Under Liquidation
3.	REDS Marine Services Limited	Subsidiary	Under Liquidation
4.	Reliance Technologies and Systems Pvt. Ltd.	Subsidiary	Active
5.	PDOC Pte. Limited	Subsidiary	Active
6.	Conceptia Software Technologies Pvt Ltd.	Associate	Active

15. We draw your attention to Note No. 15 of the Statement which states that the RNEL had one live projects of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL, full and final settlement of INR 40,15,517 was received on February 22, 2023.
16. We draw your attention to Note No. 16 the Statement which state that during the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May, 2021, the WDV value of those assets as on March, 2022 is INR 2,961 lakhs, which has been sold at INR 1,156 lakhs to Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts, in respective period amounting to INR 1,805 lakhs as per relevant financial reporting framework. There was a large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.
17. We draw your attention to Note No. 17 of the Statement which states that the Company has accounted certain expenses grouped under other expenses related to previous financial years. During the period, prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. The rental income (part of other income) includes a provisional income of INR 10 lakhs pertaining to FY 2021-22 on which GST is not accounted for and paid.
18. We draw your attention to Note No. 18 of the Statement which state that the Company has not recognized net deferred tax assets as Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be realized considering its present order book and anticipated orders and opportunities in the defence sector as evidence.



19. We draw your attention to Note 19 of the Statement which states that the Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27, 2023.
20. We draw your attention to Note 21 of the Statement which states notional finance cost recorded in the Profit and Loss statement from April 1, 2022, to December 31, 2022, has been reversed under recasting gain reported under exceptional items as of December 31, 2022, due to the implementation of the resolution plan.
21. We draw your attention to Note 22 of the Statement which states as on December 31, 2022, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 4, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. *As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.*
- Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.
22. We draw your attention to Note 23 of the Statement which states that as per Regulation 33(3)(b) of the SEBI LODR Regulation, 2015 which provides that in case the listed entity has subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results. There are 5 (Five) subsidiaries of the Company and one Associate. This is to bring to your notice that the management of the company is not in a position to provide the consolidated financial result as the subsidiaries of the company are separate legal entities, also currently few subsidiaries' companies are under the CIRP Process, and non-operational and the team is facing huge difficulty in obtaining relevant data from the said subsidiaries. The management has obtained the information with respect to one associate company, and the Company has prepared Consolidated Financial results based on best available information incorporating only Conceptia Software Technologies Private Limited, which is its associate company. Accordingly, Company has not complied with the SEBI LODR to extent of consolidation of the results of its subsidiaries.
23. The Company is irregular in payments of Statutory dues and has not filed GST Annual Return for the F.Y. 2018-19, F.Y. 2019-20, F.Y. 2020-21, F.Y. 2021-22 and has not conducted GST Audit for the said period.



24. Going Concern Assessment

We draw your attention to Note 7 of the Statement which states the unaudited standalone financial results have been prepared on a going concern basis since the new management has been granted full control of the affairs of the company with effect from January 4th, 2024.

Other Matter

25. We did not review the financial information of one associate whose share of loss amounting to INR 11 lakhs for the quarter ended December 31, 2022, and whose share of profit amounting to INR 19 lakhs for the period from April 01, 2022, to December 31, 2022, as considered in the unaudited consolidated financial results, for which financial information had not been audited/reviewed by their auditors. This unaudited financial information have been furnished to us by the management and our opinion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited financial information. In our opinion and according to information and explanation given to us by the management, this financial information is not material to the group.
26. In case of five subsidiaries the interim financial information for the quarter and nine months ended December 31, 2022, is not available. In absence of the aforesaid interim financial information, the interim financial information in respect of the aforesaid subsidiaries for the quarter and nine months ended December 31, 2022, have not been included in the unaudited consolidated results. In our opinion and according to the information and explanation given to us by the management, these financial information are not material to the group.
27. Due to non-payment of various statutory liabilities, there may be potential non-compliances under the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other statutes and regulations.
28. As the final outcome of the secretarial audit report is pending and due to non-payment of various statutory liabilities, there may be potential non-compliance under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, FEMA and other statutes and regulations.

For N. N. Jambusaria & CO
Chartered Accountants
Firm Reg. No: 104030W

N.N. Jambusaria



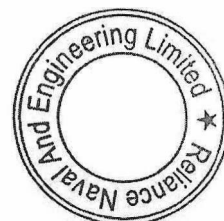
Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNWW2742
Place: Mumbai
Date: November 11, 2024

Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnavel.co.in, E-mail: rdel.investors@relianceada.com, CIN: L35110GJ1997PLC033193

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Month Period Ended December 31, 2022

Sr. No.	Particulars	Quarter Ended			Nine Month Period Ended		Year Ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		<i>INR in Lakhs</i>					
1	Revenue from Operations	40	68	237	316	553	632
2	Other Income	70	133	223	444	667	1,107
3	Total Income (1+2)	110	201	460	760	1,220	1,739
4	Expenses						
(a)	Cost of Materials Consumed	1	1	61	23	104	110
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	85	88	101	257	383	480
(e)	Labour/Fabrication and Subcontractor Charges	187	121	157	402	494	624
(f)	Power, Fuel and Water	170	124	157	446	328	498
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	950	558	490	3,798	994	1,581
	Total Expenses	1,393	892	966	4,926	2,303	3,293
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(1,283)	(691)	(506)	(4,166)	(1,083)	(1,554)
6	Finance Costs	46,484	50,323	50,331	1,46,584	1,50,600	1,99,857
7	Depreciation and Amortisation Expenses	1,717	1,718	1,862	5,138	5,570	7,396
8	Profit/(Loss) Before Exceptional Items (5-6-7)	(49,484)	(52,732)	(52,699)	(1,55,888)	(1,57,253)	(2,08,807)
9	Exceptional Items (Refer Note 6)	19,52,133	(10)	166	19,52,123	166	166
10	Profit/(Loss) before Tax (8+9)	19,02,649	(52,742)	(52,533)	17,96,235	(1,57,087)	(2,08,641)
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit/(Loss) After Tax (10+11+12)	19,02,649	(52,742)	(52,533)	17,96,235	(1,57,087)	(2,08,641)
14	Other Comprehensive Income						
	Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	(11)	27	12	19	55	45
	Total Other Comprehensive Income for the period/year	(11)	27	12	19	55	45
15	Total Comprehensive Income for the period/year (13+14)	19,02,638	(52,715)	(52,521)	17,96,254	(1,57,032)	(2,08,596)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268,22	73,759	73,759	248,22	73,759	73,759
17	Other Equity	-	-	-	-	-	(18,12,749)
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (INR)	* 70,935.72	* (7.15)	* (7.12)	* 66,969.43	* (21.29)	(28.28)
(b)	Diluted EPS (INR)	* 70,935.72	* (7.15)	* (7.12)	* 66,969.43	* (21.29)	(28.28)



Background of the Company

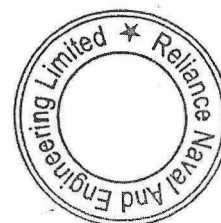
1. The consolidated financial results comprise the unaudited standalone financial results ("as restated") of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries and associates for the period ended December 31st, 2022.

2. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

3. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") has replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of the current period, i.e. December 31st, 2022. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with the approved resolution plan, the Successful Resolution Applicant ("SRA") deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company.



As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. And further, the first tranche of deferred payment of INR 312 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which has actually been paid on August 07th, 2024.

4. These consolidated financial results are prepared to incorporate the effects of the resolution plan approved by the Hon'ble NCLT Ahmedabad bench on December 23rd, 2022, and also to give the effect of changes in the position of assets and liabilities arising out of the reassessment of their existence as ascertained by the current management of the Company. M/s. Pipara & Co LLP resigned on October 12th, 2024, and the casual vacancy was filled by appointing M/s N. N. Jambusaria & Co. through a board resolution dated October 18th, 2024.

Business Revival and Continuity Plan

5. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.



Restatement of consolidated financial results

6. The following effect of the resolution plan has been given.

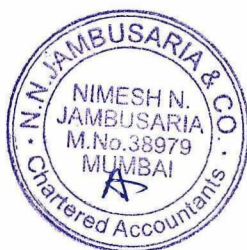
INR in lakhs

Sr no.	Particulars as per plan	Particulars as per financials	Approved amount as per the Resolution Plan	Reduction in liabilities as per NCLT order	Disclosure
1	Financial Creditors	Compulsorily Redeemable Preference Shares	2,04,000.00	19,78,963.48	The amount of gain has been shown as a recasting gain under the head exceptional item in the profit and loss account.
2		Unsecured Loans			
3		Current Maturities of Long-Term Debts			
4		Interest accrued and due on borrowings			
Total			2,04,000.00	19,78,963.48	
5	Operational Creditors	Trade Payables	157.00	40,959.12	
6	Employees	Salaries Payable includes all statutory liability related to employees	151.00	929.52	
7	Other Debts and Dues	Other Debts and Dues	65.00	-	Being ascertained.
Total			2,04,373.00	20,20,852.12	

Other effects of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company.

INR in lakhs

Sr no.	Particulars	Amount
1	Fixed Assets written off	(257.10)
2	Fixed Assets impaired	(20.78)
3	Security Deposits written off	(30.26)
4	Raw material Inventory written off	(29,431.57)
5	Work in progress written off	(38,629.94)
6	Cash and Cash Equivalents balance written back	12.11
7	GST and Cenvat credit balance written off	(619.63)
8	Provision created for advance to vendors	(21,802.67)
9	Increase in Lease liability	(283.57)
10	Decrease in Lease assets (Net of depreciation)	57.07
11	Advance from customers forfeited	2,937.28
12	Other provision reversal	10,705.04
13	Other payable and receivables written back / written off	8,853.63
14	Statutory dues written back	531.37
15	Provision made for Contract Receivable in progress	(740.57)
	Total	(68,719.59)



The following assets which were impaired in previous years have been written off now and have no impact on recasting gain. Rupees in lakhs

Sr no.	Particulars	Amount
1	Investment in ROML Engineering and Offshore Limited	5.00
2	Investment in REDS Marine Services Limited	5.00
3	Trade Receivables	79,508.24
4	Shipbuilding Contracts Receivables	1,73,219.05
5	Subsidy Receivable For Shipbuilding	7,830.03
6	Capital Work in Progress includes	4,44,503.82
	Total	7,05,071.14

Going Concern

7. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the consolidated financial statement for the period and year ended December 31st, 2022 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 3.

Legal Cases

8. The amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from the Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.

Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlying how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

9. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during FY 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its



order dated July 25th, 2024. Investment of the company in its subsidiary has been impaired during the previous year.

The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

10. The investments in the wholly-owned subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited which were impaired in previous year's have been written off during the period, as both companies are admitted for liquidation on December 6th, 2021, and September 14th, 2021 respectively.

Other

11. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
12. The Finance Cost includes INR 15.67 lakhs as interest on Interim Funding received during CIRP Period which is treated as CIRP Cost.
13. The figures for the quarter ended December 31st, 2022 are the balancing figures between the unaudited consolidated figure for the period ended December 31st, 2022, and year-to-date unaudited consolidated financial results for the period ended September 30th, 2022.
14. Other Current Financial Liabilities Include a refundable security deposit of INR 5,00,00,000/- received from the prospective resolution applicant, On January 18th, 2023 the same has been repaid.
15. RNEL had one live project of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL and the Counterparty, a full and final settlement of INR 40,15,517/- was received on February 22nd, 2023.
16. During the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May 2021, the WDV value of those assets as on March 2022 is INR 2,961 lakhs, and the sale value is INR 1,156 lakhs and the buyer is Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts amounting to INR 1,805 lakhs during the quarter ended June 30th, 2022 as per relevant financial reporting framework. There was a large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off during the period and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired during the period. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.



17. During the period, prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. The rental income (part of other income) includes a provisional income of INR 10 lakhs pertaining to FY 2021-22 on which GST is not accounted for and paid.
18. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
19. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
20. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8 th , 2023
Paresh Vasantlal Merchant	Director	December 8 th , 2023
Bhavik Nikhil Merchant	Director	December 8 th , 2023
Vivek Paresh Merchant	Director	December 8 th , 2023
Kaiyoze Beji Billimoria	Independent Director	December 14 th , 2023
Ashishkumar Bairagra	Independent Director	December 14 th , 2023
Arun Sinha	Independent Director	December 14 th , 2023
Prabhakar Reddy Patil	Independent Director	December 16 th , 2023
Maya Swaminathan Sinha	Independent Director	December 14 th , 2023
Arvind Jayasing Morbale	Whole-time Director	December 14 th , 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f. February 13th, 2024, at the board meeting held on February 13th, 2024.

21. The notional finance cost recorded in the Profit and Loss statement from April 1st, 2022, to December 23rd, 2022, has been reversed under recasting gain reported under exceptional items as of December 23rd, 2022, due to the implementation of the resolution plan.
22. As on December 31st, 2022, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.




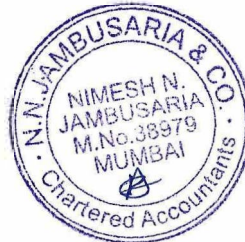
Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

23. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending December 31st, 2022. There are five subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04 th , 2023 which has been set aside by NCLAT by its order dated July 25 th , 2024.
2	RMOL Engineering and Offshore Limited	Under Liquidation
3	REDS Marine Services Limited	Under Liquidation
4	PDOC Pte. Limited	Active
5	Reliance Technologies and Systems Private Limited	Active

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited


 Mr. Nikhil Merchant
 Chairman & Managing Director
 DIN: 00614790
 Date: November 11th, 2024
 Place: Mumbai



Independent Auditor's Review Report on Unaudited Standalone Financial Results ("as Restated") of Reliance Naval & Engineering Limited (the 'Company') for the Quarter and nine months ended December 31, 2022 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations")

To

The Board of Directors of Reliance Naval and Engineering Limited
Review Report on unaudited Standalone Financials Results ("as Restated")

1. The Hon'ble National Company Law Tribunal ("NCLT"), vide its order dated January 15, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code, 2016. The said NCLT Order also records the appointment of Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13, 2020, the Committee of Creditors (the "CoC") had replaced the existing IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5, 2020. Subsequently, in COC meeting dated February 23, 2022, the resolution plan submitted by Hazel Mercantile Limited (Resolution applicant) was approved, and subsequently was approved by NCLT vide its order dated December 23, 2022.

As per the provision of resolution plan, a Monitoring Committee was appointed to implement the plan and monitor the operations of company till the takeover of control by newly appointed board. The Monitoring Committee got discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the company were given full authority to manage the affairs of the Company in accordance with the provisions of Companies Act, 2013

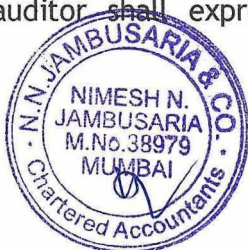
2. Previously, Pipara & Co LLP, statutory auditors, conducted a limited review of unaudited standalone financial results of the company for the quarter and nine months ended December 31, 2022 vide its review report dated December 08, 2023 and the same was submitted to stock exchange in pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), which were previously approved by the Chairman of Monitoring Committee, which were prepared without necessary adjustments as required as per Resolution Plan and without giving effect to changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company. Since the auditor were unable to obtain sufficient appropriate evidence due to the above-mentioned facts, Disclaimer of conclusion was issued.
3. We were engaged to review the accompanying unaudited standalone financial results ("as restated") of Reliance Naval & Engineering Limited ("the Company") for the quarter and nine months ended December 31, 2022 ("the Statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").



N. N. Jambusaria & Co.

Chartered Accountants

4. The statement is the responsibility of the Company's Management and those charged with governance, to prepare in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act 2013 ('the Act') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
5. The statement have been finalized on November 11, 2024. Accordingly, as required under "SA-560 - Subsequent Events" we have performed audit procedures designed to obtain sufficient appropriate audit evidence that all events occurring between the date of the financial statements and the date of the review report that require adjustment of, or disclosure in, the financial statements have been identified and accordingly dealt with in the statement and the review report.
6. Although the statement for the quarter and nine months ended 31st December 2022, along with the audited financial statements as of 31st March 2023, were signed and approved by the Board of Directors on the same date, we, as the auditors, do not express an audit opinion on the interim financial results.
7. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
8. The statement of company for the nine months ended December 31,2022 have been prepared on the basis of the trial balance for the period ended December 31, 2022, which includes the effect of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company and the same has been reflected as Recasting Gain/Loss under the exceptional items in the Financial results as on December 31, 2022. The recasting Gain/loss booked in the financial results have the effect from carrying balance of assets and liabilities as at March 31, 2020, and in turn as at March 31, 2021 and March 31,2022. Prior to the commencement of CIRP, the Board of Directors, whose powers were subsequently suspended during the CRIP, had oversight on the management of the affairs of the company together with the KMPs for the year ended March 31, 2020. Since the new management has been granted full control of the affairs of the company with effect from January 04, 2024, *the new management does not assure the accuracy and reliability of the opening balances as at April 01, 2020.*
9. As per SA 510, para 10, read with SA 705(Revised) as applicable, when an auditor is unable to obtain the sufficient appropriate audit evidence regarding the opening balances, the auditor shall express an opinion (qualified opinion or a disclaimer of opinion), as



appropriate, in accordance with SA 705 (Revised). Since the new management has incorporated the impact of audit qualifications, impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company into the financial results as a recasting gain/loss under the exceptional item, we qualify our opinion to the extent of opening balances being reduced through recasting effect.

10. Based on our review conducted and procedures performed as stated in paragraph 7 above, except for the possible effects of matters described in the Basis for Qualified Conclusion paragraph 8 & 9, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement

Emphasis of Matter Paragraph

11. We draw your attention to Note 6 of the Statement which states that the new management has decided to implement the resolution Plan approved under corporate insolvency resolution process by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad vide its Order dated December 23, 2022. Pursuant to the Order, the new management gave the impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained of the Company into the financial results, totalling to INR 19,52,132.53 lakhs in the profit & loss account as recasting gain under the exceptional items. The said amount of INR 19,52,132.53 lakhs comprises of effect of resolution plan of INR 20,20,852.12 lakhs and the other effects of changes in the position of assets and liabilities arising out of reassessment of their existence of INR (68,719.59) lakhs. We also draw your attention to the same note wherein previously impaired assets were written off during the year of INR 7,05,071.14 lakhs and have no impact on recasting gain.
12. We draw your attention to Note 8 of the Statement which states that amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defence (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and filed a writ petition along with a stay application before the Delhi High Court on February 15, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



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Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing the Company has conservatively decided to write off the same.

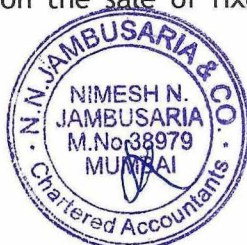
13. We draw your attention to Note 9 and 10 of the Statement which states that the company has 5 subsidiaries and 1 associate out of which three wholly owned subsidiaries of the Company were admitted under NCLT and IRP / RP were appointed and accordingly investment in these companies have been impaired in previous years. Out of the three wholly owned subsidiaries of the company, one subsidiary E-Complex Private Limited, impairment created in the earlier years is still carried in the books of accounts and two subsidiaries RMOI Engineering and Offshore Limited and REDS Marine Services Limited, impairment has been reversed and considered for write-off from the books of accounts during the year.

Following is the status of Subsidiary and Associate Companies:

Sr. No.	Name of Company	Nature of Entity	Status
1.	E Complex Private Limited	Subsidiary	Resolution Plan Approved on December 04, 2023 which has been set aside by NCLAT by its order dated July 25, 2024
2.	RMOI Engineering and Offshore Limited	Subsidiary	Under Liquidation
3.	REDS Marine Services Limited	Subsidiary	Under Liquidation
4.	Reliance Technologies and Systems Pvt. Ltd.	Subsidiary	Active
5.	PDOC Pte. Limited	Subsidiary	Active
6.	Conceptia Software Technologies Pvt. Ltd.	Associate	Active

14. We draw your attention to Note No. 15 of the Statement which states that the RNEL had one live projects of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May, 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL, full and final settlement of INR 40,15,517 was received on February 22, 2023.

15. We draw your attention to Note No. 16 of the Statement which state that during the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May 2021, the WDV value of those assets as on March, 2022 is INR 2,961 lakhs, which has been sold at INR 1,156 lakhs to Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts, in respective period



N. N. Jambusaria & Co.

Chartered Accountants

amounting to INR 1,805 lakhs as per relevant financial reporting framework. There was a large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.

16. We draw your attention to Note No. 17 of the Statement which states that the Company has accounted certain expenses grouped under other expenses related to previous financial years. During the period, prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. The rental income (part of other income) includes a provisional income of INR 10 lakhs pertaining to FY 2021-22 on which GST is not accounted for and paid.
17. We draw your attention to Note No. 18 of the Statement which state that the Company has not recognized net deferred tax assets as Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be realized considering its present order book and anticipated orders and opportunities in the defence sector as evidence.
18. We draw your attention to Note 19 of the Statement which states that the Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27, 2023.
19. We draw your attention to Note 21 of the Statement which states notional finance cost recorded in the Profit and Loss statement from April 1, 2022, to December 23, 2022, has been reversed under recasting gain reported under exceptional items as of December 23, 2022, due to the implementation of the resolution plan.
20. We draw your attention to Note 22 of the Statement which states as on December 31, 2022, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.



N. N. Jambusaria & Co.

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Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

21. The Company is irregular in payments of Statutory dues and has not filed GST Annual Return for the F.Y. 20118-19, 2019-20, F.Y. 2020-2021, F.Y. 2021-2022 and has not conducted GST Audit for the said period.

22. Going Concern Assessment

We draw your attention to Note 7 of accompanying unaudited standalone financial results ("as restated") which states the unaudited standalone financial results have been prepared on a going concern basis since the new management has been granted full control of the affairs of the company with effect from January 4th, 2024.

Other Matter

- i. On June 12, 2024 the Audit committee and Board of Directors, passed a resolution to restate financial results of the company for the quarter ended December 31, 2022, being the quarter in which NCLT had approved the resolution plan, and incorporate impact of the Resolution Plan, and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company into the financial statements. Since the previous auditor Pipara & Co LLP has resigned on October 12, 2024, the company has appointed us, N.N Jambusaria & Co to fill the causal vacancy through a board resolution dated October 18th, 2024. Based on a written opinion obtained from a renowned Practising Company Secretary dated October 14, 2024, the new management has decided to restate the unaudited standalone financial results (the 'Restated Financials'), which had been previously signed by the authorized representative of the Monitoring Committee and duly approved by its members.
- ii. Due to non-payment of various statutory liabilities, there may be potential non-compliances under the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other statutes and regulations.
- iii. As the final outcome of the secretarial audit report is pending and due to non-payment of various statutory liabilities, there may be potential non-compliance under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, FEMA and other statutes and regulations.

Our conclusion on the statement is not modified in respect of these matters.

For N. N. Jambusaria & Co.
Chartered Accountants
Firm Reg. No: 104030W



Nimesh N. Jambusaria
Partner

Mem. No. 038979

UDIN: 24038979BKBNWV9034

Place: Mumbai

Date: November 11, 2024



Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.navel.co.in, E-mail: rdel.investors@relianceeda.com, CIN: L35110GJ1097PLC033193

Restatement of Unaudited Standalone Financial Results for the Quarter and Nine Month Period Ended December 31, 2022

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Month Period Ended		Year Ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	40	68	237	316	553	632
2	Other Income	70	133	223	444	667	1,107
3	Total Income (1+2)	110	201	460	760	1,220	1,739
4	Expenses						
(a)	Cost of Materials Consumed	-	-	61	23	104	110
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	85	88	101	257	383	480
(e)	Labour/Fabrication and Subcontractor Charges	187	121	157	402	494	624
(f)	Power, Fuel and Water	170	124	157	446	328	498
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	950	558	490	3,798	924	1,581
	Total Expenses	1,393	892	966	4,926	2,303	3,293
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(1,283)	(691)	(506)	(4,166)	(1,083)	(1,554)
6	Finance Costs	46,484	50,323	50,331	1,46,584	1,50,600	1,99,857
7	Depreciation and Amortisation Expenses	1,717	1,718	1,862	5,138	5,570	7,396
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(49,484)	(52,732)	(52,699)	(1,55,888)	(1,57,253)	(2,08,807)
9	Exceptional Items (Refer Note d)	19,52,133	(10)	166	19,52,123	166	166
10	Profit / (Loss) before Tax (8+9)	19,02,649	(52,742)	(52,533)	17,96,235	(1,57,087)	(2,08,641)
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	19,02,649	(52,742)	(52,533)	17,96,235	(1,57,087)	(2,08,641)
14	Other Comprehensive Income						
	Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	-	-	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	19,02,649	(52,742)	(52,533)	17,96,235	(1,57,087)	(2,08,641)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	73,759	73,759	268.22	73,759	73,759
17	Other Equity	-	-	-	-	-	(18,12,979)
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (INR)	* 70,936.13	* (7.15)	* (7.12)	* 66,968.72	* (21.30)	(28.29)
(b)	Diluted EPS (INR)	* 70,936.13	* (7.15)	* (7.12)	* 66,968.72	* (21.30)	(28.29)



Background of the Company

1. Herein, the term "financial statement/results" shall be understood to mean "restated financial statement/results."
2. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended December 31st, 2022. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

3. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") has replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of the current period, i.e. December 31st, 2022. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with the approved resolution plan, the Successful Resolution Applicant ("SRA") deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company.

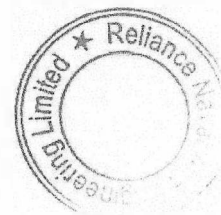
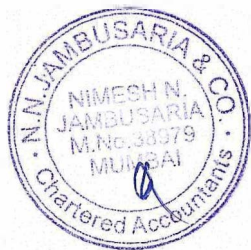


As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. And further, the first tranche of deferred payment of INR 31.2 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which has actually been paid on August 07th, 2024.

4. These financial results are prepared to incorporate the effects of the resolution plan approved by the Hon'ble NCLT Ahmedabad bench on December 23rd, 2022, and also to give the effect of changes in the position of assets and liabilities arising out of the reassessment of their existence as ascertained by the current management of the Company. These financial results supersede the earlier financial results adopted by the Resolution Professional and duly certified by the previous auditor M/s. Pipara & Co LLP on February 13th, 2024. M/s. Pipara & Co LLP resigned on October 12th, 2024, and the casual vacancy was filled by appointing M/s N. N. Jambusaria & Co. through a board resolution dated October 18th, 2024.

Business Revival and Continuity Plan

5. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.



Restatement of financial results.

6. The following effect of the resolution plan has been given.

INR in lakhs

Sr no.	Particulars as per plan	Particulars as per financials	Approved amount as per the Resolution Plan	Reduction in liabilities as per NCLT order	Disclosure
1	Financial Creditors	Compulsorily Redeemable Preference Shares	2,04,000.00	19,78,963.48	The amount of gain has been shown as a recasting gain under the head exceptional item in the profit and loss account.
2		Unsecured Loans			
3		Current Maturities of Long-Term Debts			
4		Interest accrued and due on borrowings			
Total			2,04,000.00	19,78,963.48	
5	Operational Creditors	Trade Payables	157.00	40,959.12	
6	Employees	Salaries Payable includes all statutory liability related to employees	151.00	929.52	
7	Other Debts and Dues	Other Debts and Dues	65.00	-	Being ascertained.
Grand Total			2,04,373.00	20,20,852.12	

Other effects of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company.

INR in lakhs

Sr no.	Particulars	Amount
1	Fixed Assets written off	(257.10)
2	Fixed Assets impaired	(20.78)
3	Security Deposits written off	(30.26)
4	Raw material Inventory written off	(29,431.57)
5	Work in progress written off	(38,629.94)
6	Cash and Cash Equivalents balance written back	12.11
7	GST and Cenvat credit balance written off	(619.63)
8	Provision created for advance to vendors	(21,802.67)
9	Increase in Lease liability	(283.57)
10	Decrease in Lease assets (Net of depreciation)	57.07
11	Advance from customers forfeited	2,937.28
12	Other provision reversal	10,705.04
13	Other payable and receivables written back / written off	8,853.63
14	Statutory dues written back	531.37
15	Provision made for Contract Receivable in progress	(740.57)
	Total	(68,719.59)



The following assets which were impaired in previous years have been written off now and have no impact on recasting gain.

INR in lakhs

Sr no.	Particulars	Amount
1	Investment in ROML Engineering and Offshore Limited	5.00
2	Investment in REDS Marine Services Limited	5.00
3	Trade Receivables	79,508.24
4	Shipbuilding Contracts Receivables	1,73,219.05
5	Subsidy Receivable For Shipbuilding	7,830.03
6	Capital Work in Progress includes	4,44,503.82
	Total	7,05,071.14

Going Concern

7. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the financial statement for the period and year ended December 31st, 2022 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 3.

Legal Cases

8. The amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.

Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

9. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during FY 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its



order dated July 25th, 2024. Investment of the company in its subsidiary has been impaired during the previous year.

The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

10. The investments in the wholly-owned subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited which were impaired in previous year's have been written off during the period, as both companies are admitted for liquidation on December 6th, 2021, and September 14th, 2021 respectively.

Other

11. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
12. The Finance Cost includes INR 15.67 lakhs as interest on Interim Funding received during CIRP Period which is treated as CIRP Cost.
13. The figures for the quarter ended December 31st, 2022 are the balancing figures between the unaudited figure for the period ended December 31st, 2022, and year-to-date unaudited financial results for the period ended September 30th, 2022.
14. Other Current Financial Liabilities include a refundable security deposit of INR 5,00,00,000/- received from the prospective resolution applicant, On January 18th, 2023 the same has been repaid.
15. RNEL had one live project of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL and the Counterparty, a full and final settlement of INR 40,15,517/- was received on February 22nd, 2023.
16. During the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May 2021, the WDV value of those assets as on March 2022 is INR 2,961 lakhs, and the sale value is INR 1,156 lakhs and the buyer is Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts amounting to INR 1,805 lakhs during the quarter ended June 30th, 2022 as per relevant financial reporting framework. There was a large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off during the period and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired during the period. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.



17. During the period, prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. The rental income (part of other income) includes a provisional income of INR 10 lakhs pertaining to FY 2021-22 on which GST is not accounted for and paid.
18. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
19. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
20. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8 th , 2023
Paresh Vasantlal Merchant	Director	December 8 th , 2023
Bhavik Nikhil Merchant	Director	December 8 th , 2023
Vivek Paresh Merchant	Director	December 8 th , 2023
Kaiyoze Beji Billimoria	Independent Director	December 14 th , 2023
Ashishkumar Bairagra	Independent Director	December 14 th , 2023
Arun Sinha	Independent Director	December 14 th , 2023
Prabhakar Reddy Patil	Independent Director	December 16 th , 2023
Maya Swaminathan Sinha	Independent Director	December 14 th , 2023
Arvind Jayasing Morbale	Whole-time Director	December 14 th , 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f February 13th, 2024, at the board meeting held on February 13th, 2024.

21. The notional finance cost recorded in the Profit and Loss statement from April 1st, 2022, to December 23rd, 2022, has been reversed under recasting gain reported under exceptional items as of December 23rd, 2022, due to the implementation of the resolution plan.
22. As on December 31st, 2022, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.

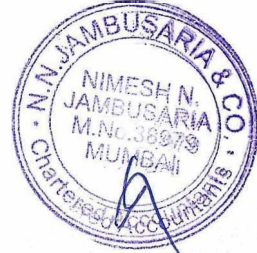


Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Report

To

The Board of Directors of Reliance Naval and Engineering Limited
Report on the audit of Consolidated Financial Results ("CFR")

1. **Insolvency and Bankruptcy Code, 2016 (IBC)**

The Hon'ble National Company Law Tribunal ("NCLT"), vide its order dated January 15, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the *Insolvency and Bankruptcy Code, 2016*. The said NCLT Order also records the appointment of Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13, 2020, the Committee of Creditors (the "CoC") had replaced the existing IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated 5th May, 2020. Subsequently, in COC meeting dated February 23, 2022, the resolution plan submitted by Hazel Mercantile Limited (Resolution applicant) was approved, and subsequently was approved by NCLT vide its order dated December 23, 2022.

As per the provision of resolution plan, a Monitoring Committee was appointed to implement the plan, and monitor the operations of company till the takeover of control by newly appointed board, The Monitoring Committee got discharged on January 4, 2024, , and the newly appointed board of directors ("New Management") of the company were given the full authority to manage the affairs of the Company in accordance with the provisions of Companies Act, 2013

2. **Qualified Opinion**

We have audited the accompanying consolidated financial results of Reliance Naval and Engineering Limited (hereinafter referred to as "the Parent Company") and its subsidiaries (Parent Company and its Subsidiaries together referred to as "the Group") and its associates for the quarter and the year ended March 31, 2023 ("the statement") attached herewith, being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/financial information of subsidiaries and associates, except for the effects of the matter(s) described in the 'Basis of Qualified Opinion' section below of our report, the aforesaid CFR

a. Includes the results of the following one associate

Sr.No	Name of the associate
1	Conceptia Software Technologies Private Limited



- b. is presented in accordance with the requirements of Regulation 33 of 'the Listing Regulations and
- c. give a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Ind-AS and other accounting principles generally accepted in India, of consolidated net profit, total comprehensive profit (comprising of net profit and other comprehensive profit) and other financial information of the Group for the quarter and year ended March 31, 2023.

3. Basis for Qualified Opinion

- a. The accompanying Consolidated Financial results of the company for the year ended March 31, 2023 have been prepared on the basis of the trial balance for the period ended March 31, 2023 which includes the effect of the Resolution Plan, the impact of audit qualifications, and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company and the same has been reflected as Recasting Gain/Loss under the exceptional items in the Financial statement as on March 31, 2023. The recasting Gain/loss booked in the financial statement have the effect from carrying balance of assets and liabilities as at March 31, 2020, and in turn as at March 31, 2021 and March 31, 2022. Prior to the commencement of CIRP, the Board of Directors, whose powers were subsequently suspended during the CRIP, had oversight on the management of the affairs of the company together with the KMPs for the year ended March 31, 2020. Since the new management has been granted full control of the affairs of the company with effect from January 04, 2024, the new management does not assure the accuracy and reliability of the opening balances as at April 01, 2020.

As per SA 510, para 10, read with SA 705(Revised) as applicable, when an auditor is unable to obtain the sufficient appropriate audit evidence regarding the opening balances, the auditor shall express an opinion (qualified opinion or a disclaimer of opinion), as appropriate, in accordance with SA 705 (Revised). Since the new management has incorporated the impact of audit qualifications, impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company into the financial results as a recasting gain/loss under the exceptional item, we qualify our opinion to the extent of opening balances being reduced through recasting effect.

- b. As per Regulation 33(3)(b) of the of the SEBI LODR Regulation, 2015 which provides that in case the listed entity has subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results. There are 5 (Five) subsidiaries of the Company and one Associate. This is to bring to your notice that the management of the company is not in a position to provide the consolidated financial result as the subsidiaries of the company are separate legal entities, also currently few subsidiaries' companies are under the CIRP Process, and non-operational and the team is facing huge difficulty in obtaining relevant data from the said subsidiaries. The management has obtained the information with respect to one associate company, and the Company has prepared



Consolidated Financial results based on best available information incorporating only Conceptia Software Technologies Private Limited, which is its associate company. Accordingly, Company has not complied with the SEBI LODR to extent of consolidation of the results of its subsidiaries.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the CFR' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the SFS under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the CFR.

4. Management's Responsibilities for the CFR

These quarterly as well as the year-to-date CFR have been prepared on the basis of the consolidated annual financial statements. The Parent Company's Board of Directors are responsible with respect to the preparation of these CFR that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the CFR that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the CFR by the Directors of the Parent Company, as aforesaid.

In preparing the CFR, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

5. Auditor's Responsibilities for the Audit of the CFR



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Our objectives are to obtain reasonable assurance about whether the CFR as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these CFR.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i- Identify and assess the risks of material misstatement of the CFR, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- iii- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- iv- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the CFR or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- v- Evaluate the overall presentation, structure and content of the CFR, including the disclosures, and whether the CFR represent the underlying transactions and events in a manner that achieves fair presentation.
- vi- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the CFR. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the CFR of which we are the independent auditors. For the other entities included in the CFR, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



We communicate with those charged with governance (“TCWG”) of the Parent Company and such other entities included in the CFR of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those TCWG with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Emphasis of Matter Paragraph

6. We draw your attention to Note 6 of the Statement which states that the new management has decided to implement the resolution Plan approved under corporate insolvency resolution process by Hon’ble National Company Law Tribunal (“NCLT”), Ahmedabad vide its Order dated December 23, 2022. Pursuant to the Order, the new management gave the impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained of the Company into the financial results, totalling to INR 19,52,132.53 lakhs in the profit & loss account as recasting gain under the exceptional items. The said amount of INR 19,52,132.53 lakhs comprises of effect of resolution plan of INR 20,20,852.12 lakhs and the other effects of changes in the position of assets and liabilities arising out of reassessment of their existence of INR (68,719.59) lakhs. We also draw your attention to the same note wherein previously impaired assets were written off during the year of INR 7,05,071.14 lakhs and have no impact on recasting gain.
7. We draw your attention to Note 8 of the Statement which states that the amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defence (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and filed a writ petition along with a stay application before the Delhi High Court on February 15, 2020.

The captioned matter was listed for hearing before the Hon’ble Delhi High Court on February 17, 2020. After hearing the arguments of both parties at length, the Hon’ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon’ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.

Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31, 2020, outlining how it can complete two of the five NOPVs



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(NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing the Company has conservatively decided to write off the same.

8. We draw your attention to Note 9 and 10 of the Statement which states that the company has 5 subsidiaries and 1 associate out of which three wholly owned subsidiaries of the Company were admitted under NCLT and IRP / RP were appointed and accordingly investment in these companies have been impaired in previous years. Out of the three wholly owned subsidiaries of the company, two subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited, impairment has been reversed and considered for write-off from the books of accounts during the year.

Following is the status of Subsidiary and Associate Companies:

Sr. No.	Name of Company	Nature of Entity	Status
1.	E Complex Private Limited	Subsidiary	Resolution Plan Approved on December 04, 2023 which has been set aside by NCLAT by its order dated July 25, 2024
2.	RMOI Engineering and Offshore Limited	Subsidiary	Under Liquidation
3.	REDS Marine Services Limited	Subsidiary	Under Liquidation
4.	Reliance Technologies and Systems Pvt. Ltd.	Subsidiary	Active
5.	PDOC Pte. Limited	Subsidiary	Active
6.	Conceptia Software Technologies Pvt. Ltd.	Associate	Active

9. We draw your attention to Note 23 of the Statement that as per Regulation 33(3)(b) of the SEBI LODR Regulation, 2015 which provides that in case the listed entity has subsidiaries, in addition to the requirement at clause (a) of sub-regulation (3), the listed entity shall also submit quarterly/year-to-date consolidated financial results. There are 5 (Five) subsidiaries of the Company and one Associate. This is to bring to your notice that the management of the company is not in a position to provide the consolidated financial result as the subsidiaries of the company are separate legal entities, also currently few subsidiaries' companies are under the CIRP Process, and non-operational and the team is facing huge difficulty in obtaining relevant data from the said subsidiaries. The management has obtained the information with respect to one associate company, and the Company has prepared Consolidated Financial results based on best available information incorporating only Conceptia Software Technologies Private Limited, which is its associate company. Accordingly, Company has not complied with the SEBI LODR to extent of consolidation of the results of its subsidiaries.



10. We draw your attention to Note 15 of the Statement which states that the RNEL had one live projects of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May, 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL, full and final settlement of INR 40,15,517 was received on February 22nd 2023.
11. We draw your attention to Note 16 of the Statement which state that during the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May, 2021, the WDV value of those assets as on March, 2022 is INR 2,961 lakhs, which has been sold at INR 1,156 lakhs to Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts, in respective period amounting to INR 1,805 lakhs as per relevant financial reporting framework. There was a large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.
12. We draw your attention to Note 17 of the Statement which states that the Company has accounted certain expenses grouped under other expenses related to previous financial years. During the period prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. Accordingly, the expenses were understated by the management to that extent in previous period.
13. We draw your attention to Note 18 of the Statement which state that the Company has not recognized net deferred tax assets as Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be realized considering its present order book and anticipated orders and opportunities in the defence sector as evidence.
14. We draw your attention to Note 19 of the Statement which states that the Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th,2023.
15. We draw your attention to Note 21 of the Statement which states notional finance cost recorded in the Profit and Loss statement from April 1st, 2022, to December 23rd, 2022, has been



reversed under recasting gain reported under exceptional items as of December 23rd, 2022, due to the implementation of the resolution plan.

16. We draw your attention to Note 22 of the Statement which states As on December 31st, 2022, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.

Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

17. The Company is irregular in payments of Statutory dues and has not filed GST Annual Return for the F.Y. 2018-19, 2019-20, F.Y. 2020-2021, F.Y. 2021-2022 and has not conducted GST Audit for the said period.
18. **Going Concern Assessment**
We draw your attention to Note 7 of accompanying unaudited standalone financial results ("as restated") which states the unaudited standalone financial results have been prepared on a going concern basis since the new management has been granted full control of the affairs of the company with effect from January 4th, 2024.

Other Matters

- i. We did not audit the financial statements of one associate whose share of Profit amounting to INR 3 lakhs & INR 21 lakhs for the quarter and year ended March 31, 2023, respectively, as considered in the consolidated financial results. These financial results have been audited by other auditors whose reports have been furnished to us by the Board of Directors and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditor.
- ii. Due to non-payment of various statutory liabilities, there may be potential non-compliances under the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other statutes and regulations.
- iii. As the final outcome of the secretarial audit report is pending and due to non-payment of various statutory liabilities, there may be potential non-compliance under the Companies Act,



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2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, FEMA and other statutes and regulations.

- iv. Attention is drawn to the fact that the figures for the quarter ended March 31, 2023 as reported in the CFR are the balancing figures in respect of the year ended March 31, 2023 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit as required by Listing Regulations.

Our opinion on the statement is not modified in respect of these matter.

For N. N. Jambusaria & CO.

Chartered Accountants

Firm Reg. No: 104030W

N. N. Jambusaria



Nimesh N. Jambusaria

Partner

Mem. No. 038979

UDIN: 24038979BKBNWY5792

Place: Mumbai

Date: November 11, 2024

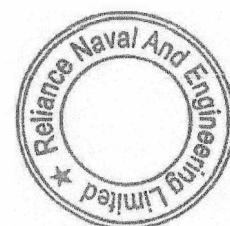
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchchaya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnaval.co.in, E-mail: rnel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Audited Consolidated Financial Results for the Quarter and Year Ended March 31, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Audited	Unaudited	Unaudited	Audited	Audited
1	Revenue from Operations	-	40	79	316	632
2	Other Income	16	70	440	460	1,107
3	Total Income (1+2)	16	110	519	776	1,739
4	Expenses					
(a)	Cost of Materials Consumed	3	1	6	26	110
(b)	Cost of Raw Material Sold	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-
(d)	Employee Benefits Expenses	69	85	97	326	480
(e)	Labour/Fabrication and Subcontractor Charges	126	187	130	528	624
(f)	Power, Fuel and Water	121	170	170	567	498
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-
(j)	Other Expenses	159	950	587	3,957	1,581
	Total Expenses	478	1,393	990	5,404	3,293
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(462)	(1,283)	(471)	(4,628)	(1,554)
6	Finance Costs	389	46,484	49,257	1,46,973	1,99,857
7	Depreciation and Amortisation Expenses	1,691	1,717	1,826	6,829	7,396
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(2,542)	(49,494)	(51,554)	(1,58,430)	(2,08,807)
9	Exceptional Items (Refer Note 6)	-	19,52,133	-	19,52,123	166
10	Profit / (Loss) before Tax (8+9)	(2,542)	19,02,649	(51,554)	17,93,693	(2,08,641)
11	Income Tax for Earlier Years	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(2,542)	19,02,649	(51,554)	17,93,693	(2,08,641)
14	Other Comprehensive Income					
	Items that will not to be reclassified to profit and loss in the subsequent year					
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	3	(11)	(10)	21	45
	Total Other Comprehensive Income for the period/year	3	(11)	(10)	21	45
15	Total Comprehensive Income for the period/year (13+14)	(2,539)	19,02,638	(51,564)	17,93,714	(2,08,596)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	73,759	268.22	73,759
17	Other Equity	-	-	-	54,456	(18,12,749)
18	Earnings Per Share (EPS) (* Not Annualised)					
(a)	Basic EPS (INR)	= (94.66)	* 70,935.72	* (6.99)	66,874.73	(28.28)
(b)	Diluted EPS (INR)	= (94.66)	* 70,935.72	* (6.99)	66,874.73	(28.28)



Consolidated Statement of Assets and Liabilities		INR in Lakhs	
		As at March 31, 2023	As at March 31, 2022
Particulars	Audited	Audited	
I ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	1,16,486	1,25,504	
(b) Right-of-use Assets	6,732	7,724	
(c) Capital Work in Progress	3,669	3,669	
(d) Intangible Assets	-	-	
(e) Financial Assets			
(i) Investments	404	383	
(f) Deferred Tax Assets (net)	-	-	
(g) Other Non Current Assets	9,343	7,631	
Total Non Current Assets (A)	1,36,634	1,44,911	
(2) Current Assets			
(a) Inventories	1,40,515	2,08,632	
(b) Financial Assets			
(i) Trade Receivables	-	81	
(ii) Cash and Cash Equivalents	810	2,782	
(c) Current Tax Assets (net)	25	333	
(d) Other Current Assets	558	17,544	
Total Non Current Assets (B)	1,41,908	2,29,372	
TOTAL ASSETS (A+B)	2,78,542	3,74,283	
II EQUITY AND LIABILITIES			
(1) (a) Equity Share Capital			
(a) Equity Share Capital	268	73,759	
(b) Other Equity	54,456	(18,12,749)	
Total Equity (A)	54,724	(17,38,990)	
(2) Liabilities			
2.1 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	1,85,000	1,343	
(ii) Lease Liability	8,137	8,691	
(b) Provisions	43	31	
Total Non Current Liabilities (B)	1,93,180	10,065	
2.2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20,000	2,87,284	
(ii) Lease Liability	809	633	
(iii) Trade Payables			
Total outstanding dues of micro and small enterprises	28	754	
Total outstanding dues of creditors other than micro and small enterprises	7,798	33,269	
(iv) Other Financial Liabilities	1,925	17,65,755	
(b) Other Current Liabilities	77	4,518	
(c) Provisions	1	10,995	
Total Non Current Liabilities (C)	30,638	21,03,208	
TOTAL EQUITY AND LIABILITIES (A+B+C)	2,78,542	3,74,283	



Consolidated Cash Flow Statement
INR in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
	Audited	Audited
A Cash Flow from Operating Activities		
Profit / (Loss) before Tax and associate profit	17,93,693	(2,08,640)
Adjustments for :-	-	-
Depreciation and Amortisation Expenses	6,828	7,396
Interest Income	(12)	(22)
Loss on Sale of Plant, property and equipments (net)	1,805	-
Finance Costs	1,46,973	1,99,857
	221	-
Operating cash flow before working capital changes	19,49,508	(1,409)
Movement in Working Capital		
(Increase) / Decrease in Inventories	68,117	256
(Increase) / Decrease Trade and Other Receivables	15,355	(311)
Increase in / (Decrease) Trade and Other Payables	(18,90,455)	2,02,177
Cash Used in Operations	1,42,525	2,00,713
Direct Taxes (Paid) / Refund	308	14
Net Cash from Operating Activities	1,42,633	2,00,727
B Cash Flow from Investing Activities		
Sale of Property, Plant and Equipment and Capital Work in Progress	1,156	-
FD kept with bank	-	213
Interest Received	12	22
Net Cash from Investing Activities	1168	235
C Cash Flow from Financing Activities		
Finance Costs	(1,46,973)	(1,99,858)
Borrowings (From Hazel Infra Ltd)	1,000	-
Net Cash used in Financing Activities	(1,45,973)	(1,99,858)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,972)	1,104
Cash and Cash Equivalents at the beginning of the year	2782	1678
Cash and Cash Equivalents at the end of the year	810	2,782

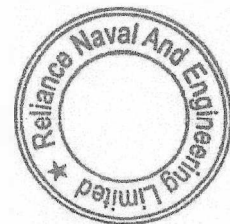
Notes :

- The above cash flow statement has been prepared under the "indirect Method" as set out in IND AS 7 - Cash Flow Statement
- Previous Year Figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.



Background of the Company

1. The consolidated financial results comprise the audited standalone financial results ("as restated") of Reliance Naval and Engineering Limited ("RNEL" or "the Company") its subsidiaries and associates for the period ended March 31st, 2023.
2. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).
The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.
3. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") has replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of the previous period, i.e. December 31st, 2022. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.
In line with the approved resolution plan, the Successful Resolution Applicant ("SRA") deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company.

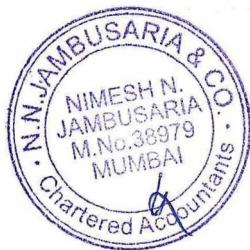


As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. And further, the first tranche of deferred payment of INR 312 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which has actually been paid on August 07th, 2024.

4. The comparative consolidated figures of December 31st, 2022 as appearing in these financials based on financials of quarter ended December 31st, 2022 which were prepared to incorporate the effects of the resolution plan approved by Hon'ble NCLT Ahmedabad bench date December 23rd, 2022, and also to give the effect of changes in the position of assets and liabilities arising out of the reassessment of their existence as ascertained by the current management of the Company. M/s. Pipara & Co LLP resigned on October 12th, 2024, and the casual vacancy was filled by appointing M/s N. N. Jambusaria & Co. through a board resolution dated October 18th, 2024.

Business Revival and Continuity Plan

5. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.



Restatement of consolidated financial results.

6. The following effect of the resolution plan has been given.

INR in lakhs

Sr no.	Particulars as per plan	Particulars as per financials	Approved amount as per the Resolution Plan	Reduction of liabilities as per NCLT order	Disclosure
1	Financial Creditors	Compulsorily Redeemable Preference Shares	2,04,000.00	19,78,963.48	The amount of gain has been shown as a recasting gain under the head exceptional item in the profit and loss account.
2		Unsecured Loans			
3		Current Maturities of Long-Term Debts			
4		Interest accrued and due on borrowings			
Total			2,04,000.00	19,78,963.48	
5	Operational Creditors	Trade Payables	157.00	40,959.12	
6	Employees	Salaries Payable includes all statutory liability related to employees	151.00	929.52	
7	Other Debts and Dues	Other Debts and Dues	65.00	-	Being ascertained.
Grand Total			2,04,373.00	20,20,852.12	

Other effects of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company.

INR in lakhs

Sr no.	Particulars	Amount
1	Fixed Assets written off	(257.10)
2	Fixed Assets impaired	(20.78)
3	Security Deposits written off	(30.26)
4	Raw material Inventory written off	(29,431.57)
5	Work in progress written off	(38,629.94)
6	Cash and Cash Equivalents balance written back	12.11
7	GST and Cenvat credit balance written off	(619.63)
8	Provision created for advance to vendors	(21,802.67)
9	Increase in Lease liability	(283.57)
10	Decrease in Lease assets (Net of depreciation)	57.07
11	Advance from customers forfeited	2,937.28
12	Other provision reversal	10,705.04
13	Other payable and receivables written back / written off	8,853.63
14	Statutory dues written back	531.37
15	Provision made for Contract Receivable in progress	(740.57)
	Total	(68,719.59)



The following assets which were impaired in previous years have been written off now and have no impact on recasting gain. Rupees in lakhs

Sr no.	Particulars	Amount
1	Investment in ROML Engineering and Offshore Limited	5.00
2	Investment in REDS Marine Services Limited	5.00
3	Trade Receivables	79,508.24
4	Shipbuilding Contracts Receivables	1,73,219.05
5	Subsidy Receivable For Shipbuilding	7,830.03
6	Capital Work in Progress includes	4,44,503.82
	Total	7,05,071.14

Going Concern

7. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the consolidated financial statement for the period and year ended March 31st, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 3.

Legal Cases

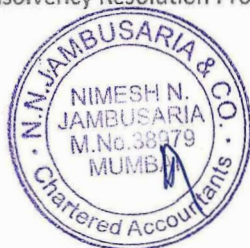
8. The amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.

Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

9. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during FY 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private



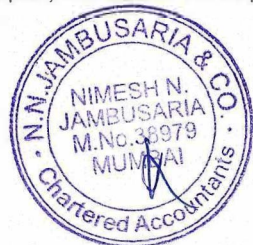
Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. Investment of the company in its subsidiary has been impaired during the previous year.

The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

10. The investments in the wholly-owned subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited which were impaired in previous year's have been written off during the period, as both companies are admitted for liquidation on December 6th, 2021, and September 14th, 2021 respectively.

Other

11. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
12. The Finance Cost includes INR 85.08 lakhs as interest on Interim Funding received during the CIRP Period which is treated as CIRP Cost.
13. The consolidated figures for the quarter ended March 31st, 2023, are the balancing consolidated figures between the unaudited consolidated figure in respect of the nine-month consolidated financial and year-to-date audited consolidated financial results for the year ended March 31st, 2023. The consolidated figures for the previous periods and for the year ended March 31st, 2022, have been restated and regrouped to make them comparable with those of the current year.
14. Other Current Financial Liabilities include a refundable security deposit of INR 5,00,00,000/- received from the prospective resolution applicant, On January 18th, 2023 the same has been repaid.
15. RNEL had one live project of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL and the Counterparty, a full and final settlement of INR 40,15,517/- was received on February 22nd, 2023.
16. During the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May 2021, the WDV value of those assets as on March 2022 is INR 2,961 lakhs, and the sale value is INR 1,156 lakhs and the buyer is Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts amounting to INR 1,805 lakhs during the quarter ended June 30th, 2022 as per relevant financial reporting framework. There was a large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off during the period and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired during the period. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by



the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.

17. During the period, prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. The rental income (part of other income) includes a provisional income of INR 10 lakhs pertaining to FY 2021-22 on which GST is not accounted for and paid.
18. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
19. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
20. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8 th , 2023
Paresh Vasantlal Merchant	Director	December 8 th , 2023
Bhavik Nikhil Merchant	Director	December 8 th , 2023
Vivek Paresh Merchant	Director	December 8 th , 2023
Kaiyoze Beji Billimoria	Independent Director	December 14 th , 2023
Ashishkumar Bairagra	Independent Director	December 14 th , 2023
Arun Sinha	Independent Director	December 14 th , 2023
Prabhakar Reddy Patil	Independent Director	December 16 th , 2023
Maya Swaminathan Sinha	Independent Director	December 14 th , 2023
Arvind Jayasing Morbale	Whole-time Director	December 14 th , 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f. February 13th, 2024, at the board meeting held on February 13th, 2024.

21. The notional finance cost recorded in the Profit and Loss statement from April 1st, 2022, to December 23rd, 2022, has been reversed under recasting gain reported under exceptional items as of December 23rd, 2022, due to the implementation of the resolution plan.
22. As on March 31st, 2023, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The



COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.

Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

23. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending March 31st, 2023. There are five subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

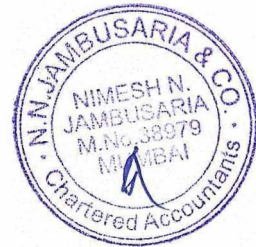
Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04, 2023 which has been set aside by NCLAT by its order dated July 25, 2024.
2	RMOL Engineering and Offshore Limited	Under Liquidation
3	REDS Marine Services Limited	Under Liquidation
4	PDOC Pte. Limited	Active
5	Reliance Technologies and Systems Private Limited	Active

24. As per regulatory compliance, the company is required to appoint and conduct an internal audit for FY 2022-23. The internal auditor is not appointed for the period ending March 31st, 2023.
25. During the internal stock verification process for the quarter that ended September 30th, 2022, we noted some discrepancies in aluminum sheets, and a general diary was filed on August 28th, 2022 for the same and the impact of loss on the inventory is given in the books of accounts amounting to INR 9.93 lakhs as per relevant financial reporting framework.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Report

To

The Board of Directors of Reliance Naval and Engineering Limited
Report on the audit of Standalone Financials Results ("as restated") ("SFR")

1. **Insolvency and Bankruptcy Code, 2016 (IBC)**

The Hon'ble National Company Law Tribunal ("NCLT"), vide its order dated January 15, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code, 2016. The said NCLT Order also records the appointment of Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13, 2020, the Committee of Creditors (the "CoC") had replaced the existing IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5, 2020. Subsequently, in COC meeting dated February 23, 2022, the resolution plan submitted by Hazel Mercantile Limited (Resolution applicant) was approved, and subsequently was approved by NCLT vide its order dated December 23, 2022.

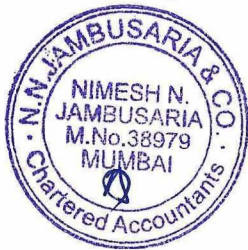
As per the provision of resolution plan, a Monitoring Committee was appointed to implement the plan, and monitor the operations of company till the takeover of control by newly appointed board, The Monitoring Committee got discharged on January 4, 2024, , and the newly appointed board of directors ("New Management") of the company were given the full authority to manage the affairs of the Company in accordance with the provisions of Companies Act, 2013

2. **Qualified Opinion**

We have audited the accompanying standalone financial results (as restated) of Reliance Naval and Engineering Limited ("the Company"), for the quarter and year ended March 31, 2023 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter(s) described in the 'Basis of Qualified Opinion' section, the aforesaid SFR

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,



- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2023.

3. Basis for Qualified Opinion

The Statement of the company for the year ended March 31, 2023 have been prepared on the basis of the trial balance for the period ended March 31, 2023 which includes the effect of the Resolution Plan, the impact of audit qualifications, and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company and the same has been reflected as Recasting Gain/Loss under the exceptional items in the Financial statement as on March 31, 2023. The recasting Gain/loss booked in the financial statement have the effect from carrying balance of assets and liabilities as at March 31, 2020, and in turn as at March 31, 2021 and March 31, 2022. Prior to the commencement of CIRP, the Board of Directors, whose powers were subsequently suspended during the CRIP, had oversight on the management of the affairs of the company together with the KMPs for the year ended March 31, 2020. Since the new management has been granted full control of the affairs of the company with effect from January 04, 2024, the new management does not assure the accuracy and reliability of the opening balances as at April 01, 2020.

As per SA 510, para 10, read with SA 705(Revised) as applicable, when an auditor is unable to obtain the sufficient appropriate audit evidence regarding the opening balances, the auditor shall express an opinion (qualified opinion or a disclaimer of opinion), as appropriate, in accordance with SA 705 (Revised). Since the new management has incorporated the impact of audit qualifications, impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company into the financial results as a recasting gain/loss under the exceptional item, we qualify our opinion to the extent of opening balances being reduced through recasting effect.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the SFR' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the SFS under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and



the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the SFR.

4. Management's Responsibilities for the Statements

These quarterly as well as the year-to-date SFR (as restated) have been prepared on the basis of the interim financial statements (as restated). The Company's Board of Directors are responsible with respect to the preparation of these SFR (as restated) that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the SFR that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the SFR (as restated), the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the SFR (as restated)

Our objectives are to obtain reasonable assurance about whether the SFR (as restated) as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these SFR (as restated).

As part of an audit in accordance with SAS, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the SFS, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the SFS or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the SFS, including the disclosures, and whether the SFS represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance ('TCWG') regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide TCWG with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to that extent applicable.



Emphasis of Matter

6. We draw your attention to Note 6 of the Statement which states that the new management has decided to implement the resolution Plan approved under corporate insolvency resolution process by Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad vide its Order dated December 23, 2022. Pursuant to the Order, the new management gave the impact of the Resolution Plan and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained of the Company into the financial results, totalling to INR. 19,52,132.53 lakhs in the profit & loss account as recasting gain under the exceptional items. The said amount of INR 19,52,132.53 lakhs comprises of effect of resolution plan of INR- 20,20,852.12 lakhs and the other effects of changes in the position of assets and liabilities arising out of reassessment of their existence of INR- (68,719.59) lakhs. We also draw your attention to the same note wherein previously impaired assets were written off during the year of INR 7,05,071.14 lakhs and have no impact on recasting gain.
7. We draw your attention to Note 8 of the Statement which states that the amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defence (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.

Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlying how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.



RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing the Company has conservatively decided to write off the same.

8. We draw your attention to Note 9 and 10 of the Statement which states that the company has 5 subsidiaries and 1 associate out of which three wholly owned subsidiaries of the Company were admitted under NCLT and IRP / RP were appointed and accordingly investment in these companies have been impaired in previous years. Out of the three wholly owned subsidiaries of the company, two subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited, impairment has been reversed and considered for write-off from the books of accounts during the year.

Following is the status of Subsidiary and Associate Companies:

Sr. No.	Name of Company	Nature of Entity	Status
1.	E Complex Private Limited	Subsidiary	Resolution Plan Approved on December 04, 2023, which has been set aside by NCLAT by its order dated July 25, 2024
2.	RMOL Engineering and Offshore Limited	Subsidiary	Under Liquidation
3.	REDS Marine Services Limited	Subsidiary	Under Liquidation
4.	Reliance Technologies and Systems Pvt Ltd.	Subsidiary	Active
5.	PDOC Pte. Limited	Subsidiary	Active
6.	Conceptia Software Technologies Pvt. Ltd.	Associate	Active

9. We draw your attention to Note 15 of the Statement which states that the RNEL had one live projects of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL, full and final settlement of INR 40,15,517 was received on February 22, 2023.
10. We draw your attention to Note 16 of the Statement which state that during the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May 2021, the WDV value of those assets as on March 2022 is INR 2,961 lakhs, which has been sold at INR1,156 lakhs to Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts, in respective period amounting to INR- 1,805 lakhs as per relevant financial reporting framework. There was a



large-scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 have been written off and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.

11. We draw your attention to Note 17 of the Statement which states that the Company has accounted certain expenses grouped under other expenses related to previous financial years. During the period prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. Accordingly, the expenses were understated by the management to that extent in previous period.
12. We draw your attention to Note 18 of the Statement which state that the Company has not recognized net deferred tax assets as Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be realized considering its present order book and anticipated orders and opportunities in the defence sector as evidence.
13. We draw your attention to Note 19 of the Statement which states that the Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27,2023.
14. We draw your attention to Note 21 of the Statement which states notional finance cost recorded in the Profit and Loss statement from April 1, 2022, to December 23, 2022, has been reversed under recasting gain reported under exceptional items as of December 23, 2022, due to the implementation of the resolution plan.
15. We draw your attention to Note 22 of the Statement which states As on March 31, 2023, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04, 2023. The



said order of NCLT has been set aside by NCLAT by its order dated July 25, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.

Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

16. The Company is irregular in payments of Statutory dues and has not filed GST Annual Return for the F.Y. 2018-19, F.Y 2019-20, F.Y. 2020-21, F.Y. 2021-22 and has not conducted GST Audit for the said period.
17. Going Concern Assessment
We draw your attention to Note 7 of accompanying unaudited standalone financial results ("as restated") which states the unaudited standalone financial results have been prepared on a going concern basis since the new management has been granted full control of the affairs of the company with effect from January 4th, 2024.

Other Matter

- i. On June 12, 2024 the Audit committee and Board of Directors, passed a resolution to restate financial results of the company for the quarter ended December 31, 2022, being the quarter in which NCLT had approved the resolution plan, and incorporate impact of the Resolution Plan, and the impact of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the new management of the Company into the financial statements. Since the previous auditor Pipara & Co LLP has resigned on October 12, 2024, the company has appointed us, N.N Jambusaria & Co to fill the causal vacancy through a board resolution dated October 18th, 2024. Based on a written opinion obtained from a renowned Practising Company Secretary dated October 14, 2024, the new management has decided to restate the unaudited standalone financial results (the 'Restated Financials'), which had been previously signed by the authorized representative of the Monitoring Committee and duly approved by its members.
- ii. Due to non-payment of various statutory liabilities, there may be potential non-compliances under the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other statutes and regulations.
- iii. As the final outcome of the secretarial audit report is pending and due to non-payment of various statutory liabilities, there may be potential non-compliance under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, FEMA and other statutes and regulations.



N. N. Jambusaria & Co.

Chartered Accountants

- iv. Attention is drawn to the fact that the figures for the quarter ended March 31, 2023, as reported in the statement are the balancing figures in respect of the year ended March 31, 2023 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit.

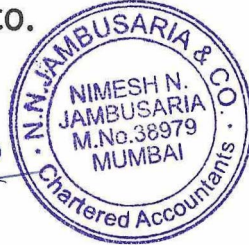
Our opinion on the statement is not modified in respect of these matter.

For N. N. Jambusaria & CO.

Chartered Accountants

Firm Reg. No: 104030W

N.N. Jambusaria



Nimesh N. Jambusaria

Partner

Mem. No. 038979

UDIN: 24038979BKBNWX6808

Place: Mumbai

Date: November 11, 2024

Reliance Naval and Engineering Limited

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

Website: www.rnavel.co.in, E-mail: rnel@swan.co.in. CIN: L35110GJ1997PLC033193

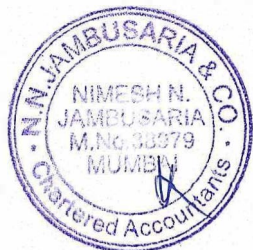
Restatement of Audited Standalone Financial Results for the Quarter and Year Ended March 31, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		Audited	Unaudited	Unaudited	Audited	Audited
1	Revenue from Operations	-	40	79	316	632
2	Other Income	16	70	440	460	1,107
3	Total Income (1+2)	16	110	519	776	1,739
4	Expenses					
(a)	Cost of Materials Consumed	3	1	6	26	110
(b)	Cost of Raw Material Sold	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-
(d)	Employee Benefits Expenses	69	85	97	326	480
(e)	Labour/Fabrication and Subcontractor Charges	126	187	130	528	624
(f)	Power, Fuel and Water	121	170	170	567	498
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-
(j)	Other Expenses	159	950	587	3,957	1,581
	Total Expenses	478	1,393	990	5,404	3,293
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(462)	(1,283)	(471)	(4,628)	(1,554)
6	Finance Costs	389	46,484	49,257	1,46,973	1,99,857
7	Depreciation and Amortisation Expenses	1,691	1,717	1,826	6,829	7,396
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(2,542)	(49,484)	(51,554)	(1,58,430)	(2,08,807)
9	Exceptional Items (Refer Note 4)	-	19,52,133	-	19,52,123	166
10	Profit / (Loss) before Tax (8+9)	(2,542)	19,02,649	(51,554)	17,93,693	(2,08,641)
11	Income Tax for Earlier Years	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(2,542)	19,02,649	(51,554)	17,93,693	(2,08,641)
14	Other Comprehensive Income					
	Items that will not to be reclassified to profit and loss in the subsequent year					
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	-	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(2,542)	19,02,649	(51,554)	17,93,693	(2,08,641)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	73.759	268.22	73,759
17	Other Equity	-	-	-	54.205	(18,12,979)
18	Earnings Per Share (EPS) (* Not Annualised)					
(a)	Basic EPS (INR)	* (94.77)	* 70,936.13	* (6.99)	66.873.95	(28.29)
(b)	Diluted EPS (INR)	* (94.77)	* 70,936.13	* (6.99)	66.873.95	(28.29)



Restatement Of Standalone Assets and Liabilities		INR in Lakhs	
		As at March 31, 2023	As at March 31, 2022
Particulars		Audited	Audited
I ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment		1,16,486	1,25,504
(b) Right-of-use Assets		6,732	7,724
(c) Capital Work in Progress		3,669	3,669
(d) Intangible Assets		-	-
(e) Financial Assets			
(i) Investments		153	153
(f) Deferred Tax Assets (net)		-	-
(g) Other Non Current Assets		9,343	7,631
Total Non Current Assets (A)		1,36,383	1,44,681
(2) Current Assets			
(a) Inventories		1,40,515	2,08,632
(b) Financial Assets			
(i) Trade Receivables		-	81
(ii) Cash and Cash Equivalents		810	2,782
(c) Current Tax Assets (net)		25	333
(d) Other Current Assets		558	17,544
Total Non Current Assets (B)		1,41,908	2,29,372
TOTAL ASSETS (A+B)		2,78,291	3,74,053
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital		268	73,759
(b) Other Equity		54,205	(18,12,979)
Total Equity (A)		54,473	(17,39,220)
(2) Liabilities			
2.1 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1,85,000	1,343
(ii) Lease Liability		8,137	8,691
(b) Provisions		43	31
Total Non Current Liabilities (B)		1,93,180	10,065
2.2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		20,000	2,87,284
(ii) Lease Liability		809	633
(iii) Trade Payables			
Total outstanding dues of micro and small enterprises		28	754
Total outstanding dues of creditors other than micro and small enterprises		7,798	33,269
(iv) Other Financial Liabilities		1,925	17,65,755
(b) Other Current Liabilities		78	4,518
(c) Provisions		-	10,995
Total Non Current Liabilities (C)		30,638	21,03,208
TOTAL EQUITY AND LIABILITIES (A+B+C)		2,78,291	3,74,053



Restatement of Standalone Cash Flow Statement

Sr. No	Particulars	INR in Lakhs	
		As at March 31, 2023	As at March 31, 2022
		Audited	Audited
A Cash Flow from Operating Activities			
Profit / (Loss) before Tax	17,93,693	(2,08,640)	
Adjustments for :-			
Depreciation and Amortisation Expenses	6,828	7,396	
Interest Income	(12)	(22)	
Loss on Sale of Plant, property and equipments (net)	1,805	-	
Finance Costs	1,46,973	1,99,857	
RoU recalculation fixed asset impairment and W/off	221	-	
Operating cash flow before working capital changes	19,49,508	(1,409)	
Movement in Working Capital			
(Increase) / Decrease in Inventories	68,117	256	
(Increase) / Decrease Trade and Other Receivables	15,355	(311)	
Increase / (Decrease) Trade and Other Payables	(18,90,455)	2,02,177	
Cash Used in Operations	1,42,525	2,00,713	
Direct Taxes (Paid) / Refund	308	14	
Net Cash from Operating Activities	1,42,833	2,00,727	
B Cash Flow from Investing Activities			
Sale of Property, Plant and Equipment and Capital Work in Progress	1156	-	
FD kept with bank	-	213	
Interest Received	12	22	
Net Cash from Investing Activities	1168	235	
C Cash Flow from Financing Activities			
Finance Costs	(1,46,973)	(1,99,858)	
Borrowings (From Hazel Infra Ltd)	1,000	-	
Net Cash used in Financing Activities	(1,45,973)	(1,99,858)	
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,972)	1,104	
Cash and Cash Equivalents at the beginning of the year	2782	1678	
Cash and Cash Equivalents at the end of the year	810	2,782	

Notes :

- 1 The above cash flow statement has been prepared under the "Indirect Method" as set out in IND AS 7 - Cash Flow Statement
- 2 Previous Year Figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.



Background of the Company

1. Herein, the term "financial statement/results" shall be understood to mean "restated financial statement/results."

2. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended March 31st, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchahiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

3. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") has replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT has approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of the previous period, i.e. December 31st, 2022. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with the approved resolution plan, the Successful Resolution Applicant ("SRA") deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost



has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company.

As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. And further, the first tranche of deferred payment of INR 312 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which has actually been paid on August 07th, 2024.

4. The comparative figures of December 31st, 2022 as appearing in these financials based on restated financials of quarter ended December 31st, 2022 which were prepared to incorporate the effects of the resolution plan approved by Hon'ble NCLT Ahmedabad bench date December 23rd, 2022, and also to give the effect of changes in the position of assets and liabilities arising out of the reassessment of their existence as ascertained by the current management of the Company. These financial results supersede the earlier financial results certified by the previous auditor M/s. Pipara & Co LLP on February 13th, 2024. M/s. Pipara & Co LLP resigned on October 12th, 2024, and the casual vacancy was filled by appointing M/s N. N. Jambusaria & Co. through a board resolution dated October 18th, 2024.

Business Revival and Continuity Plan

5. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.



e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

Restatement of financial results.

6. The following effect of the resolution plan has been given.

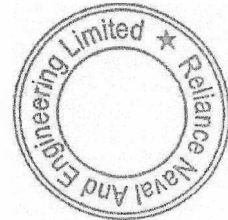
INR in lakhs

Sr no.	Particulars as per plan	Particulars as per financials	Approved amount as per the Resolution Plan	Reduction of liabilities as per NCLT order	Disclosure
1	Financial Creditors	Compulsorily Redeemable Preference Shares	2,04,000.00	19,78,963.48	The amount of gain has been shown as a recasting gain under the head exceptional item in the profit and loss account.
2		Unsecured Loans			
3		Current Maturities of Long-Term Debts			
4		Interest accrued and due on borrowings			
Total			2,04,000.00	19,78,963.48	
5	Operational Creditors	Trade Payables	157.00	40,959.12	
6	Employees	Salaries Payable includes all statutory liability related to employees	151.00	929.52	
7	Other Debts and Dues	Other Debts and Dues	65.00	-	Being ascertained.
Grand Total			2,04,373.00	20,20,852.12	

Other effects of changes in the position of assets and liabilities arising out of reassessment of their existence as ascertained by the current management of the Company.

INR in lakhs

Sr no.	Particulars	Amount
1	Fixed Assets written off	(257.10)
2	Fixed Assets impaired	(20.78)
3	Security Deposits written off	(30.26)
4	Raw material Inventory written off	(29,431.57)
5	Work in progress written off	(38,629.94)
6	Cash and Cash Equivalents balance written back	12.11
7	GST and Cenvat credit balance written off	(619.63)
8	Provision created for advance to vendors	(21,802.67)
9	Increase in Lease liability	(283.57)
10	Decrease in Lease assets (Net of depreciation)	57.07
11	Advance from customers forfeited	2,937.28
12	Other provision reversal	10,705.04
13	Other payable and receivables written back / written off	8,853.63



14	Statutory dues written back	531.37
15	Provision made for Contract Receivable in progress	(740.57)
	Total	(68,719.59)

The following assets which were impaired in previous years have been written off now and have no impact on recasting gain. Rupees in lakhs

Sr no.	Particulars	Amount
1	Investment in ROML Engineering and Offshore Limited	5.00
2	Investment in REDS Marine Services Limited	5.00
3	Trade Receivables	79,508.24
4	Shipbuilding Contracts Receivables	1,73,219.05
5	Subsidy Receivable For Shipbuilding	7,830.03
6	Capital Work in Progress includes	4,44,503.82
	Total	7,05,071.14

Going Concern

7. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the financial statement for the period and year ended March 31st, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 3.

Legal Cases

8. The amount of INR 1,73,219.05 lakhs was shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020. The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company. Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlying how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs.

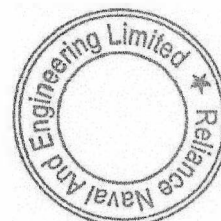


RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

9. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during FY 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. Investment of the company in its subsidiary has been impaired during the previous year.
The CDC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.
10. The investments in the wholly-owned subsidiaries RMOL Engineering and Offshore Limited and REDS Marine Services Limited which were impaired in previous year's have been written off during the period, as both companies are admitted for liquidation on December 6th, 2021, and September 14th, 2021 respectively.

Other

11. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
12. The Finance Cost includes INR 85.08 lakhs as interest on Interim Funding received during the CIRP Period which is treated as CIRP Cost.
13. The figures for the quarter ended March 31st, 2023, are the balancing figures between the unaudited figure in respect of the nine-month financial and year-to-date audited financial results for the year ended March 31st, 2023. The figures for the previous periods and for the year ended March 31st, 2022, have been restated and regrouped to make them comparable with those of the current year.
14. Other Current Financial Liabilities Include a refundable security deposit of INR 5,00,00,000/- received from the prospective resolution applicant, On January 18th, 2023 the same has been repaid.
15. RNEL had one live project of repair and retrofit work of ONGC rig Sagar Gaurav. Due to the suspension of power lines due to cyclone Tauktae, the rig repair work was delayed by 60 days and the final work on the rig was completed by the first week of May 2022. Based on the Final reconciliations for the project including certain out-of-scope work undertaken by RNEL and the Counterparty, a full and final settlement of INR 40,15,517/- was received on February 22nd, 2023.
16. During the period scrap sale of a fixed asset has been conducted for those assets damaged due to the cyclone that occurred in May 2021, the WDV value of those assets as on March 2022 is INR 2,961 lakhs, and the sale value is INR 1,156 lakhs and the buyer is Raj Radhe Finance Limited. The impact of loss on the sale of fixed assets is given in the books of accounts amounting to INR 1,805 lakhs during the quarter ended June 30th, 2022 as per relevant financial reporting framework. There was a large-

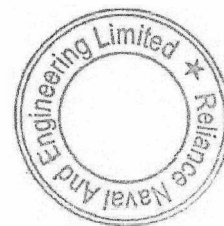


scale damage to Property, Plant, and Equipment due to cyclone Tauktae which hit the Company premises in May 2021. All the relevant damaged assets have been either written off or impaired or devalued as per an assessment report from a reputed valuer. During the year management has not conducted physical verification of fixed assets. However, the verification was carried out by new management in FY 2023-24 and assets that were not physically available amounting to INR 257.10 lakhs have been written off during the period and assets that were beyond economic repairs and damages due to the cyclone as mentioned above amounting to INR 20.78 lakhs has been impaired during the period. In accordance with IND AS 36, the company has conducted impairment testing as mentioned above based on the criteria established by the standard. The primary reasons for this are the company's non-operational status during the CIRP period and the impact of the cyclone in May 2021.

17. During the period, prior period income and expenses were booked amounting to INR 69.73 lakhs income and INR 352.46 lakhs expenses net off amounting to INR 282.73 lakhs expenses and prior period purchases were booked amounting to INR 20.63 lakhs. The rental income (part of other income) includes a provisional income of INR 10 lakhs pertaining to FY 2021-22 on which GST is not accounted for and paid.
18. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
19. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
20. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8 th , 2023
Paresh Vasantlal Merchant	Director	December 8 th , 2023
Bhavik Nikhil Merchant	Director	December 8 th , 2023
Vivek Paresh Merchant	Director	December 8 th , 2023
Kaiyoze Beji Billimoria	Independent Director	December 14 th , 2023
Ashishkumar Bairagra	Independent Director	December 14 th , 2023
Arun Sinha	Independent Director	December 14 th , 2023
Prabhakar Reddy Patil	Independent Director	December 16 th , 2023
Maya Swaminathan Sinha	Independent Director	December 14 th , 2023
Arvind Jayasing Morbale	Whole-time Director	December 14 th , 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f. February 13th, 2024, at the board meeting held on February 13th, 2024.



21. The notional finance cost recorded in the Profit and Loss statement from April 1st, 2022, to December 23rd, 2022, has been reversed under recasting gain reported under exceptional items as of December 23rd, 2022, due to the implementation of the resolution plan.
22. As on March 31st, 2023, the Company had given Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028.

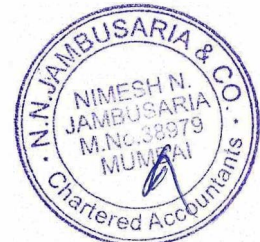
Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases is subject to the outcome of the said cases.

23. As per regulatory compliance, the company is required to appoint and conduct an internal audit for FY 2022-23. The internal auditor is not appointed for the period ending March 31st, 2023.
24. During the internal stock verification process for the quarter that ended September 30th, 2022, we noted some discrepancies in aluminum sheets, and a general diary was filed on August 28th, 2022 for the same and the impact of loss on the inventory is given in the books of accounts amounting to INR 9.93 lakhs as per relevant financial reporting framework.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG WITH ANNUAL AUDITED FINANCIAL RESULTS

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023

I.	Sr No	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. In Lakhs	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In Lakhs
	1	Turnover / Total income	775.92	Not Determinable
	2	Total Expenditure	17,92,917.15	
	3	Net Profit/(Loss)	17,93,693.07	
	4	Earnings Per Share	66,875.20	
	5	Total Assets	2,78,291.02	
	6	Total Liabilities	2,23,817.75	
	7	Net Worth	54,473.27	
	8	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification: Please refer the audit report

b. Type of Audit Qualification: Qualified

c. Frequency of qualification: First time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable

e. For Audit Qualification(s) where the impact is not quantified by the auditor:


(i) **Management's estimation on the impact of audit qualification:** Not determinable

(ii) **If management is unable to estimate the impact, reasons for the same:**

Response to qualified opinion in the audit report:
The new management has taken over the control of the Company via Corporate Insolvency Resolution Process (CIRP) under Insolvency & Bankruptcy Code (IBC) as per order of Ahmedabad bench of National Company Law Tribunal (NCLT) dated December 23, 2022. The resolution professional appointed by NCLT has not handed over confirmation of opening balance as at April 0,

III. Signatories: *2022 and hence new management is unable to verify the same.*
For and on behalf of the Board of Directors Reliance Naval and Engineering Limited


Mr. Nikhil Merchant
Chairman & Managing Director
DIN : 00614790


Mr. Kaiyoze Billimoria
Chairman - Audit Committee
DIN : 00021204


Mr. Rishi Chopra
Chief Financial Officer

Place : Mumbai
Date : November 11, 2024

For N N Jambusaria & Co
Chartered Accountants
Firm Reg. No. 104030W





Nimesh Jambusaria
Partner
Membership No. 038879
Place : Mumbai
Date : November 11, 2024

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022

2. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Reliance Naval and Engineering Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of net loss after tax in its associate, for the quarter ended June 30, 2023 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the regulation") as amended.
3. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the 'Listing Regulations'. Our responsibility is to express a conclusion on the Statement based on our review.



4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily of Parent's persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

5. The statement includes the results of the following entity: -

Sr.No	Name of the associate
1	Conceptia Software Technologies Private Limited

6. Based on our review conducted and procedures performed as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The unaudited consolidated financial results also include the Group's share of net loss after tax in its associate of INR 1 lakh for the quarter ended June 30, 2023, as considered in the unaudited consolidated financial results, for which financial information had not been audited/reviewed by their auditor. This unaudited financial information have been furnished to us by the management and our opinion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited financial information. In our opinion, and according to the information and explanation given to us by the management, this financial information is not material to the group.



8. In case of three subsidiaries, the interim financial information for the quarter ended June 30, 2023 is not available. In absence of the aforesaid interim financial information, the same have not been included in the unaudited consolidated results. In our opinion, and according to the information and explanation given to us by the management, these financial information are not material to the group.

9. Other Matter

Although the unaudited consolidated financial results for the quarter ended June 30, 2023, along with the audited financial statements as of March 31, 2024, were signed and approved by the Board of Directors on the same date, we, as the auditors, have reviewed and issued Limited Review Report on the interim financial results for the respective quarter ended.

Our conclusion on the statement is not modified in respect of this matter.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W

N.N. Jambusaria



Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXA2555
Place: Mumbai
Date: November 11, 2024

Reliance Naval and Engineering Limited

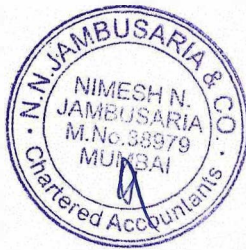
Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.

Website: www.rnel.co.in, E-mail: rnel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Consolidated Financial Results for the Quarter Ended June 30, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	-	-	208	316
2	Other Income	124	16	241	460
3	Total Income (1+2)	124	16	449	776
4	Expenses				
(a)	Cost of Materials Consumed	3	3	21	26
(b)	Cost of Raw Material Sold	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-
(d)	Employee Benefits Expenses	86	69	84	326
(e)	Labour/Fabrication and Subcontractor Charges	129	126	94	528
(f)	Power, Fuel and Water	115	121	152	567
(g)	Cost Estimated for Revenue Recognised	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-
(j)	Other Expenses	268	159	2,290	3,957
	Total Expenses	601	478	2,641	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(477)	(462)	(2,192)	(4,628)
6	Finance Costs	339	389	49,777	1,46,973
7	Depreciation and Amortisation Expenses	1,706	1,691	1,703	6,829
8	Loss Before Exceptional Items (5-6-7)	(2,522)	(2,542)	(53,672)	(1,58,430)
9	Exceptional Items	-	-	-	19,52,123
10	Loss before Tax (8+9)	(2,522)	(2,542)	(53,672)	17,93,693
11	Income Tax for Earlier Years	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-
13	Loss After Tax (10+11+12)	(2,522)	(2,542)	(53,672)	17,93,693
14	Other Comprehensive Income				
	Items that will not to be reclassified to profit and loss in the subsequent year				
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	(1)	3	3	21
	Total Other Comprehensive Income for the period/year	(1)	3	3	21
15	Total Comprehensive Income for the period/year (13+14)	(2,523)	(2,539)	(53,669)	17,93,714
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	73,759	268.22
17	Other Equity	-	-	-	54,456
18	Earnings Per Share (EPS) (* Not Annualised)				
(a)	Basic EPS (INR)	* (94.06)	* (94.66)	* (7.28)	66,874.73
(b)	Diluted EPS (INR)	* (94.06)	* (94.66)	* (7.28)	66,874.73



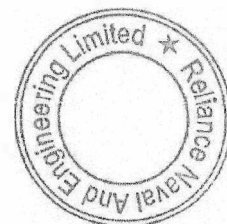
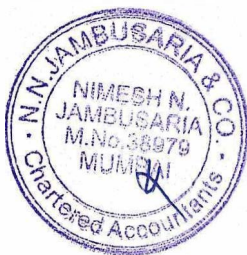
Background of the Company

1. The consolidated financial results comprise the standalone financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries & associates for the period ended June 30th, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made by



SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

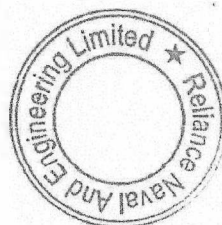
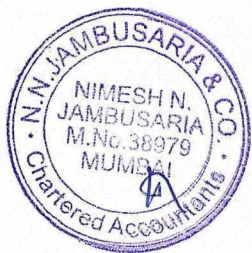
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the consolidated financial statement for the period ended June 30th, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 8th, 2023
Bhavik Nikhil Merchant	Director	December 8th, 2023
Vivek Paresh Merchant	Director	December 8th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

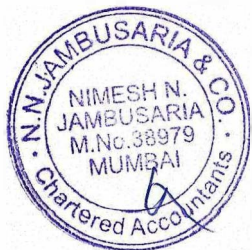
*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f. February 13th, 2024, at the board meeting held on February 13th, 2024.



11. As on June 30th, 2023, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.
12. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending June 30th, 2023. There are three subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently one subsidiary is under CIRP Process, and non-operational and the company (RNEL) is not able to obtain relevant data from the available contact details of any of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

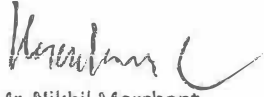
Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04, 2023 which has been set aside by NCLAT by its order dated July 25, 2024.
2	PDOC Pte. Limited	Active
3	Reliance Technologies and Systems Private Limited	Active

13. During the period prior period income was booked amounting to INR 40.35 lakhs income.
14. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from June 23rd, 2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% from June 23rd, 2023 to June 30th, 2023.

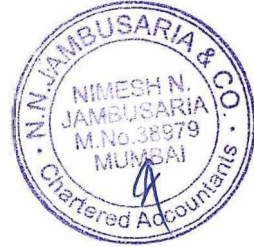


15. The Finance Cost includes INR 15.50 lakhs as interest on Interim Funding received during CIRP Period which is treated as CIRP Cost.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022

2. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Reliance Naval and Engineering Limited (the "Company") for the Quarter ended June 30, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.



4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
5. Based on our review conducted and procedures performed as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Although the unaudited standalone financial results for the quarter ended June 30, 2023, along with the audited financial statements as of March 31, 2024, were signed and approved by the Board of Directors on the same date, we, as the auditors, have reviewed and issued Limited Review Report on the interim financial results for the respective quarter.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W

N.N. Jambusaria

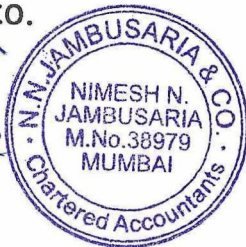
Nimesh N. Jambusaria
Partner

Mem. No. 038979

UDIN: 24038979BKBNWZ7062

Place: Mumbai

Date: November 11, 2024



Reliance Naval and Engineering Limited

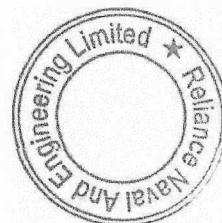
Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.

Website: www.rnavel.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	-	-	208	316
2	Other Income	124	16	241	460
3	Total Income (1+2)	124	16	449	776
4	Expenses				
	(a) Cost of Materials Consumed	3	3	21	26
	(b) Cost of Raw Material Sold	-	-	-	-
	(c) Changes in Inventories of Work in Progress & Scrap	-	-	-	-
	(d) Employee Benefits Expenses	86	69	84	326
	(e) Labour/Fabrication and Subcontractor Charges	129	126	94	528
	(f) Power, Fuel and Water	115	121	152	567
	(g) Cost Estimated for Revenue Recognised	-	-	-	-
	(h) Foreign Exchange Difference (net)	-	-	-	-
	(i) Provision for Non-Moving Inventory	-	-	-	-
	(j) Other Expenses	268	159	2,290	3,957
	Total Expenses	601	478	2,641	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(477)	(462)	(2,192)	(4,628)
6	Finance Costs	339	389	49,777	1,46,973
7	Depreciation and Amortisation Expenses	1,706	1,691	1,703	6,829
8	Loss Before Exceptional Items (5-6-7)	(2,522)	(2,542)	(53,672)	(1,58,430)
9	Exceptional Items	-	-	-	19,52,123
10	Loss before Tax (8+9)	(2,522)	(2,542)	(53,672)	17,93,693
11	Income Tax for Earlier Years	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-
13	Loss After Tax (10+11+12)	(2,522)	(2,542)	(53,672)	17,93,693
14	Other Comprehensive Income				
	Items that will not to be reclassified to profit and loss in the subsequent year				
	(i) Actuarial gains/(losses) on defined benefit plans	-	-	-	-
	(ii) Add: Consolidated share in the profit/(loss) of associate	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(2,522)	(2,542)	(53,672)	17,93,693
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	73,759	268.22
17	Other Equity	-	-	-	54,205
18	Earnings Per Share (EPS) (* Not Annualised)				
	(a) Basic EPS (INR)	* (94.03)	* (94.77)	* (7.28)	66,873.95
	(b) Diluted EPS (INR)	* (94.03)	* (94.77)	* (7.28)	66,873.95



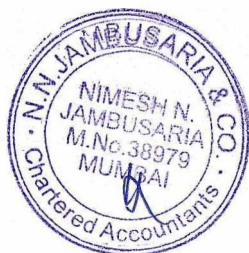
Background of the Company

1. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended June 30th, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made



by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

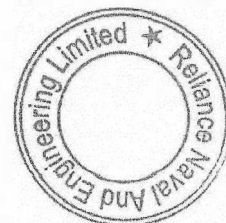
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the financial statement for the period ended June 30th, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

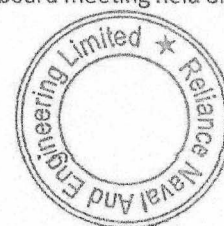
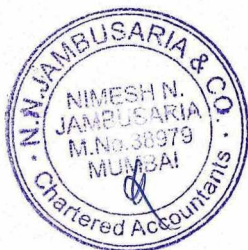
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Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
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9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 08th, 2023
Bhavik Nikhil Merchant	Director	December 08th, 2023
Vivek Paresh Merchant	Director	December 08th, 2023
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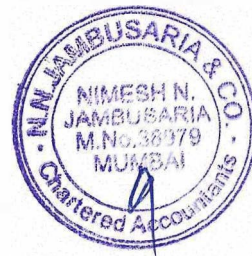
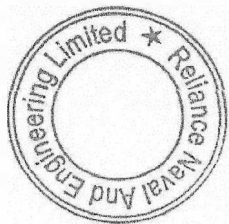
*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f February 13th, 2024, at the board meeting held on February 13th, 2024.



11. As on June 30th, 2023, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.
12. During the period prior period income was booked amounting to INR 40.35 lakhs income.
13. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from June 23rd, 2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% from June 23rd, 2023 to June 30th, 2023.
14. The Finance Cost includes INR 15.50 lakhs as interest on Interim Funding received during CIRP Period which is treated as CIRP Cost.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited


Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly and Half Yearly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022

2. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Reliance Naval and Engineering Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of net profit after tax in its associate, for the quarter and half year ended September 30, 2023 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the regulation") as amended.
3. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the 'Listing Regulations'. Our responsibility is to express a conclusion on the Statement based on our review.



4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily of Parent's persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

5. The statement includes the results of the following entity: -

Sr. No	Name of the associate
1	Conceptia Software Technologies Private Limited

6. Based on our review conducted and procedures performed as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The unaudited consolidated financial results also include the Group's share of net profit after tax in its associate of INR 50 lakhs and net profit of INR 48 lakhs for the quarter ended September 30, 2023 and for the period from April 01, 2023 to September 30, 2023, respectively, as considered in the unaudited consolidated financial results, for which financial information had not been audited/reviewed by their auditor. This unaudited financial information have been furnished to us by the management and our opinion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited financial information. In our opinion and according to the information and



explanation given to us by the management, this financial information is not material to the group.

8. In case of three subsidiaries the interim financial information for the quarter and half year ended September 30, 2023, is not available. In absence of the aforesaid interim financial information, the same have not been included in the unaudited consolidated results. In our opinion and according to information and explanation given to us by the management, these financial information are not material to the group.

9. Other Matter

Although the unaudited consolidated financial results for the quarter and half year ended September 30, 2023, along with the audited financial statements as of March 31, 2024, were signed and approved by the Board of Directors on the same date, we, as the auditors, have reviewed and issued Limited Review Report on the interim financial results for the respective quarter and half year ended.

Our conclusion on the statement is not modified in respect of this matter.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W



Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXB6690
Place: Mumbai
Date: November 11, 2024



Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnaval.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	-	-	68	-	276	316
2	Other Income	51	124	133	175	374	460
3	Total Income (1+2)	51	124	201	175	650	776
4	Expenses						
(a)	Cost of Materials Consumed	2	3	1	5	22	26
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	82	86	88	168	172	326
(e)	Labour/Fabrication and Subcontractor Charges	130	129	121	259	215	528
(f)	Power, Fuel and Water	115	115	124	230	276	567
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	188	268	558	456	2,848	3,957
	Total Expenses	517	601	892	1,118	3,533	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(466)	(477)	(691)	(943)	(2,883)	(4,628)
6	Finance Costs	796	339	50,323	1,135	1,00,100	1,46,973
7	Depreciation and Amortisation Expenses	1,721	1,706	1,718	3,427	3,421	6,829
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(2,983)	(2,522)	(52,732)	(5,505)	(1,06,404)	(1,58,430)
9	Exceptional Items	-	-	(10)	-	(10)	19,52,123
10	Profit / (Loss) before Tax (8+9)	(2,983)	(2,522)	(52,742)	(5,505)	(1,06,414)	17,93,693
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(2,983)	(2,522)	(52,742)	(5,505)	(1,06,414)	17,93,693
14	Other Comprehensive Income						
	Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	50	(1)	27	48	30	21
	Total Other Comprehensive Income for the period/year	50	(1)	27	48	30	21
15	Total Comprehensive Income for the period/year (13+14)	(2,933)	(2,523)	(52,715)	(5,457)	(1,06,384)	17,93,714
16	Paid-up Equity Share Capital (Face Value of Rs. 10 Each)	268.22	268.22	73,759	268.22	73,759	268.22
17	Other Equity	-	-	-	-	-	54,456
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (Rs.)	* (109.35)	* (94.06)	* (7.15)	* (203.45)	* (114.42)	66,874.73
(b)	Diluted EPS (Rs.)	* (109.35)	* (94.06)	* (7.15)	* (203.45)	* (114.42)	66,874.73



Unaudited Consolidated Statement of assets and liabilities for the half year ended September 30, 2023

Particulars	As at September 30, 2023	As at March 31, 2023
	Unaudited	Audited
I ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	1,13,603	1,16,486
(b) Right-of-use Assets	6,188	6,732
(c) Capital Work in Progress	3,669	3,669
(d) Intangible Assets	-	-
(e) Financial Assets		
(i) Investments	453	404
(f) Deferred Tax Assets (net)		
(g) Other Non Current Assets	9,343	9,343
Total Non Current Assets (A)	1,33,256	1,36,634
(2) Current Assets		
(a) Inventories	1,40,512	1,40,515
(b) Financial Assets		
(i) Trade Receivables	-	-
(ii) Cash and Cash Equivalents	2,069	810
(c) Current Tax Assets (net)	17	25
(d) Other Current Assets	1,045	558
Total Non Current Assets (B)	1,43,643	1,41,908
TOTAL ASSETS (A+B)	2,76,899	2,78,542
II EQUITY AND LIABILITIES		
(1) (a) Equity Share Capital		
(a) Equity Share Capital	268	268
(b) Other Equity	49,001	54,456
Total Equity (A)	49,269	54,724
(2) Liabilities		
2.1 Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,89,558	1,85,000
(ii) Lease Liability	7,614	8,137
(b) Provisions	43	43
Total Non Current Liabilities (B)	1,97,215	1,93,180
2.2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	20,000	20,000
(ii) Lease Liability	943	809
(iii) Trade Payables		
Total outstanding dues of micro and small enterprises	-	28
Total outstanding dues of creditors other than micro and small enterprises	8,982	7,798
(iv) Other Financial Liabilities	473	1,925
(b) Other Current Liabilities	17	78
(c) Provisions	-	-
Total Non Current Liabilities (C)	30,415	30,638
TOTAL EQUITY AND LIABILITIES (A+B+C)	2,76,899	2,78,542

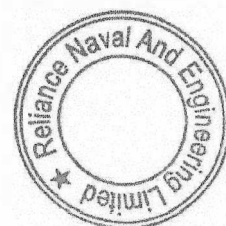


Reliance Naval and Engineering Limited

Unaudited Consolidated Cash Flow Statement

INR in Lakhs

Sr. No. Particulars	As at September 30, 2023	As at March 31, 2023
	Unaudited	Audited
A Cash Flow from Operating Activities		
Profit / (Loss) before Tax and associate profit	(5,503)	17,93,693
Adjustments for :-		
Depreciation and Amortisation Expenses	3,427	6,828
Interest Income	-	(12)
Loss on Sale of Plant, property and equipments (net)	-	1,805
Finance Costs	1,135	1,46,973
RoU recalculation Fixed asset Impairment and W/off	-	221
Operating cash flow before working capital changes	(941)	19,49,508
Movement in Working Capital		
(Increase) / Decrease in Inventories	3	68,117
(Increase) /Decrease Trade and Other Receivables	(487)	15,355
Increase in / (Decrease) Trade and Other Payables	725	(18,90,455)
Cash Used in Operations	(700)	1,42,525
Income Taxes (Paid) / Refund	8	308
Net Cash from Operating Activities	(692)	1,42,833
B Cash Flow from Investing Activities		
Sale of Property, Plant and Equipment and Capital Work in Progress	-	1,156
Interest Received	-	12
Net Cash Flow (used in)/from Investing Activities	-	1,168
C Cash Flow from Financing Activities		
Finance Costs	(1,135)	(1,46,973)
Borrowings (From Hazel Infra Ltd)	4,000	1,000
Repayment of Borrowings (Interim funding)	(792)	-
Interest paid of repayment of Borrowings (Interim funding)	(121)	-
Net Cash used in Financing Activities	1,952	(1,45,973)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	1,260	(1,972)
Cash and Cash Equivalents - Opening balance	810	2,782
Cash and Cash Equivalents - Closing balance	2,069	810



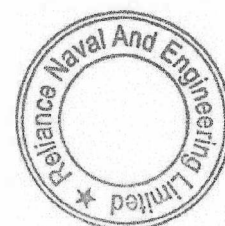
Background of the Company

1. The Consolidated financial results comprise the standalone financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries and associates for the period ended September 30th, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made by



SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

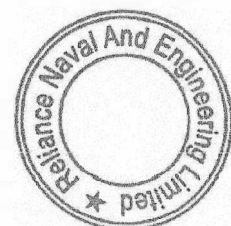
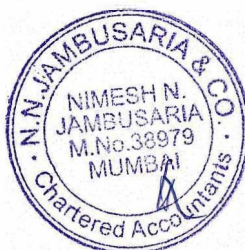
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the consolidated financial statement for the period ended September 30th, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi-High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

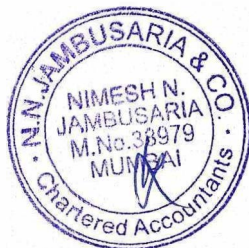
6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 8th, 2023
Bhavik Nikhil Merchant	Director	December 8th, 2023
Vivek Paresh Merchant	Director	December 8th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f February 13th, 2024, at the board meeting held on February 13th, 2024.



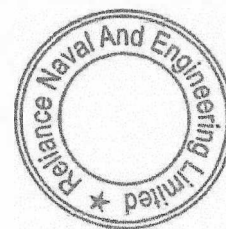
11. As on September 30th, 2023, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.

12. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending September 30th, 2023. There are three subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04, 2023 which has been set aside by NCLAT by its order dated July 25, 2024.
2	PDOC Pte. Limited	Active
3	Reliance Technologies and Systems Private Limited	Active

13. During the period June 30th, 2023 prior period income was booked amounting to INR 40.35 lakhs income.

14. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from 23.06.2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% from 23.06.2023 to 30.06.2023. In the Meeting of the Joint Lenders of the company, held on 12.09.2023, the unrelated financial creditors have agreed to give an extension of time for making the balance upfront payment subject to payment of interest for the delay, at SBI MCLR of 1 year (8.5%) plus 250 basis points from 15.09.2023 till the date of payment on reducing balance basis. Therefore, the company has charged interest of INR 517.68 lakhs in the second quarter.



15. The Finance Cost includes INR 0.85 lakhs as interest on Interim Funding received during CIRP Period which is treated as CIRP Cost.
16. The consolidated figures for the quarter ended September 30th, 2023 are the balancing consolidated figures between the unaudited consolidated figure in respect of half financial year and year to date consolidated unaudited financial results for the quarter ended June 30th,2023. The consolidated figures for the previous periods and for the year ended March 31st, 2023 have been restated and regrouped to make them comparable with those of current year.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
■IN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly and Half Yearly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

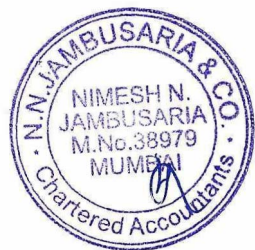
The Board of Directors of Reliance Naval and Engineering Limited

1. The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022

2. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Reliance Naval and Engineering Limited (the "Company") for the Quarter and half year ended September 30, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.



4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
5. Based on our review conducted and procedures performed as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Although the unaudited standalone financial results for the quarter and half year ended September 30, 2023, along with the audited financial statements as of March 31, 2024, were signed and approved by the Board of Directors on the same date, we, as the auditors, have reviewed and issued Limited Review Report on the interim financial results for the respective quarter and half year ended.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W

N. N. Jambusaria

Nimesh N. Jambusaria
Partner

Mem. No. 038979

UDIN: 24038979BKBNXC7702

Place: Mumbai

Date: November 11, 2024



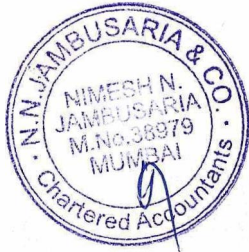
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnavel.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Standalone Financial Results for the Quarter and Half Year Ended September 30, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	-	-	88	-	276	316
2	Other Income	51	124	133	175	374	460
3	Total Income (1+2)	51	124	201	175	650	776
4	Expenses						
(a)	Cost of Materials Consumed	2	3	1	5	22	26
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	82	86	88	168	172	324
(e)	Labour/Fabrication and Subcontractor Charges	130	129	121	259	215	528
(f)	Power, Fuel and Water	115	115	124	230	276	567
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	188	268	598	456	2,848	3,957
	Total Expenses	517	601	892	1,118	3,533	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(466)	(477)	(691)	(943)	(2,883)	(4,628)
6	Finance Costs	796	339	50,323	1,135	1,00,100	1,46,973
7	Depreciation and Amortisation Expenses	1,721	1,706	1,718	3,427	3,421	6,829
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(2,983)	(2,522)	(52,732)	(5,505)	(1,06,404)	(1,58,430)
9	Exceptional Items	-	-	110	-	110	19,52,123
10	Profit / (Loss) before Tax (8+9)	(2,983)	(2,522)	(52,742)	(5,505)	(1,06,414)	17,93,693
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(2,983)	(2,522)	(52,742)	(5,505)	(1,06,414)	17,93,693
14	Other Comprehensive Income						
	Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	-	-	-	-	-	-
	Total Other Comprehensive income for the period/year	-	-	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(2,983)	(2,522)	(52,742)	(5,505)	(1,06,414)	17,93,693
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	73,759	268.22	73,759	268.22
17	Other Equity	-	-	-	-	-	54,205
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (INR)	* (111.21)	* (94.03)	* (7.15)	* (205.24)	* (14.43)	66.873.95
(b)	Diluted EPS (INR)	* (111.21)	* (94.03)	* (7.15)	* (205.24)	* (14.43)	66.873.95



Unaudited Standalone Statement Of Assets and Liabilities

Particulars	As at September 30, 2023	As at March 31, 2023
	Unaudited	Audited
I ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	1,13,603	1,16,486
(b) Right-of-use Assets	6,188	6,732
(c) Capital Work in Progress	3,669	3,669
(d) Intangible Assets	-	-
(e) Financial Assets		
(i) Investments	153	153
(f) Deferred Tax Assets (net)		
(g) Other Non Current Assets	9,343	9,343
Total Non Current Assets (A)	1,32,956	1,36,383
(2) Current Assets		
(a) Inventories	1,40,512	1,40,515
(b) Financial Assets		
(i) Trade Receivables	-	-
(ii) Cash and Cash Equivalents	2,069	810
(c) Current Tax Assets (net)	17	25
(d) Other Current Assets	1,045	558
Total Non Current Assets (B)	1,43,643	1,41,908
TOTAL ASSETS (A+B)	2,76,599	2,78,291
II EQUITY AND LIABILITIES		
(1) Equity Share Capital		
(a) Equity Share Capital	268	268
(b) Other Equity	48,702	54,205
Total Equity (A)	48,970	54,473
(2) Liabilities		
2.1 Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,89,558	1,85,000
(ii) Lease Liability	7,614	8,137
(b) Provisions	43	43
Total Non Current Liabilities (B)	1,97,215	1,93,180
2.2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	20,000	20,000
(ii) Lease Liability	942	809
(iii) Trade Payables		
Total outstanding dues of micro and small enterprises	-	28
Total outstanding dues of creditors other than micro and small enterprises	8,982	7,798
(iv) Other Financial Liabilities	473	1,925
(b) Other Current Liabilities	17	78
(c) Provisions	-	-
Total Non Current Liabilities (C)	30,414	30,638
TOTAL EQUITY AND LIABILITIES (A+B+C)	2,76,599	2,78,291



Unaudited Standalone Cash Flow Statement

INR in Lakhs

Sr. No.	Particulars	September 30, 2023	March 31, 2023
A	Cash flow from Operating Activities		
	Profit / (Loss) before Tax	(5,503)	17,93,693
	Adjustments for :-		
	Depreciation and Amortisation Expenses	3,427	6,828
	Interest Income	-	(12)
	Loss on Sale of Plant, property and equipments (net)	-	1,805
	Finance Costs	1,135	1,46,973
	RoU recalculation Fixed asset Impairment and W/off	-	221
	Operating cash flow before working capital changes	(941)	19,49,508
	Movement in Working Capital		
	(Increase) / Decrease in Inventories	3	68,117
	(Increase) / Decrease Trade and Other Receivables	(487)	15,355
	Increase in / (Decrease) Trade and Other Payables	725	(18,90,455)
	Cash Used in Operations	(700)	1,42,525
	Income Taxes (Paid) / Refund	8	308
	Net Cash from Operating Activities	(692)	1,42,833
B	Cash Flow from Investing Activities		
	Sale of Property, Plant and Equipment and Capital Work in Progress	-	1,156
	Interest Received	-	12
	Net Cash Flow (used in)/from Investing Activities	-	1,168
C	Cash Flow from Financing Activities		
	Finance Costs	(1,135)	(1,46,973)
	Borrowings (From Hazel Infra Ltd)	4,000	1,000
	Repayment of Borrowings (Interim funding)	(792)	-
	Interest paid of repayment of Borrowings (Interim funding)	(121)	-
	Net Cash used in Financing Activities	1,952	(1,45,973)
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	1,260	(1,972)
	Cash and Cash Equivalents - Opening balance	810	2,782
	Cash and Cash Equivalents - Closing balance	2,069	810



Background of the Company

1. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended September 30th, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made by



SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the financial statement for the period ended September 30th, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

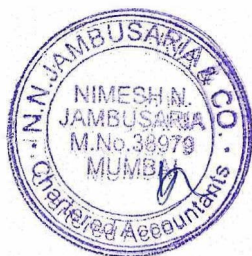
6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

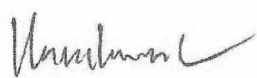
Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 8th, 2023
Bhavik Nikhil Merchant	Director	December 8th, 2023
Vivek Paresh Merchant	Director	December 8th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f February 13th, 2024, at the board meeting held on February 13th, 2024.

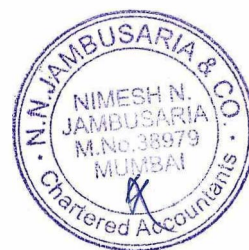


11. As on September 30th, 2023, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.
12. During the period June 30th, 2023 prior period income was booked amounting to INR 40.35 lakhs income.
13. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from 23.06.2023 till the making up full upfront payment of INR 200 Crs to unsecured financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% from 23.06.2023 to 30.06.2023. In the Meeting of the Joint Lenders of the company, held on 12.09.2023, the unsecured financial creditors have agreed to give an extension of time for making the balance upfront payment subject to payment of interest for the delay, at SBI MCLR of 1 year (8.5%) plus 250 basis points from 15.09.2023 till the date of payment on reducing balance basis. Therefore the company has charged interest of INR 517.68 lakhs in the second quarter.
14. The Finance Cost includes INR 0.85 lakhs as interest on Interim Funding received during CIRP Period which is treated as CIRP Cost.
15. The figures for the quarter ended September 30th, 2023 are the balancing figures between the unaudited figure in respect of half financial year and year to date unaudited financial results for the quarter ended June 30th, 2023. The figures for the previous periods and for the year ended March 31st, 2023 have been restated and regrouped to make them comparable with those of current year.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022.

2. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Reliance Naval and Engineering Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of net profit after tax in its associate, for the quarter and nine months ended December 31, 2023 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the regulation") as amended.
3. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the 'Listing Regulations'. Our responsibility is to express a conclusion on the Statement based on our review.
4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of Parent’s persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

- The statement includes the result of the following entity: -

Sr. No	Name of the associate
1	Conceptia Software Technologies Private Limited

- Based on our review conducted and procedures performed as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
- The unaudited consolidated financial results also include the Group’s share of net profit after tax in its associate of INR 48 lakhs and net profit after tax of INR 96 lakhs for the quarter ended December 31, 2023, and nine months ended December 31, 2023, respectively, as considered in the unaudited consolidated financial results, for which financial information had not been audited/reviewed by their auditor. This unaudited financial information have been furnished to us by the management and our opinion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited financial information. In our opinion and according to the information and explanation given to us by the management, this financial information is not material to the group.



9. In case of three subsidiaries the interim financial information for the quarter and nine months ended December 31, 2023, is not available. In absence of the aforesaid interim financial information, the same have not been included in the unaudited consolidated results. In our opinion and according to information and explanation given to us by the management, these financial information are not material to the group.

10. Other Matter

Although the unaudited consolidated financial results for the quarter and nine months ended December 31, 2023, along with the audited financial statements as of March 31, 2024, were signed and approved by the Board of Directors on the same date, we, as the auditors, have reviewed and issued Limited Review Report on the interim financial results for the respective quarter and nine months ended.

Our conclusion on the Statement is not modified in respect of this matter

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W



Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXD4441
Place: Mumbai
Date: November 11, 2024

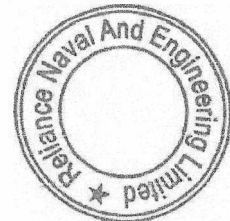
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchchalya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnavel.co.in, E-mail: rdel.investers@relianceada.com, CIN: L35110GJ1997PLC033193

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Month Period Ended December 31, 2023

Rs in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Month Period Ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	-	-	40	-	316	316
2	Other Income	50	51	70	225	444	460
3	Total Income (1+2)	50	51	110	225	760	776
4	Expenses						
(a)	Cost of Materials Consumed	10	2	1	15	23	26
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	78	82	85	246	257	326
(e)	Labour/Fabrication and Subcontractor Charges	138	130	187	397	402	528
(f)	Power, Fuel and Water	119	115	170	349	446	567
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	256	188	950	712	3,798	3,957
	Total Expenses	601	517	1,393	1,719	4,926	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(551)	(466)	(1,283)	(1,494)	(4,166)	(4,628)
6	Finance Costs	475	796	46,484	1,610	1,46,584	1,46,973
7	Depreciation and Amortisation Expenses	1,720	1,721	1,717	5,147	5,138	6,829
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(2,746)	(2,983)	(49,484)	(8,251)	(1,55,888)	(1,58,430)
9	Exceptional Items	-	-	19,52,133	-	19,52,123	19,52,123
10	Profit / (Loss) before Tax (8+9)	(2,746)	(2,983)	19,02,649	(8,251)	17,96,235	17,93,693
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(2,746)	(2,983)	19,02,649	(8,251)	17,96,235	17,93,693
14	Other Comprehensive Income Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	48	50	(11)	96	19	21
	Total Other Comprehensive Income for the period/year	48	50	(11)	96	19	21
15	Total Comprehensive Income for the period/year (13+14)	(2,698)	(2,933)	19,02,638	(8,155)	17,96,254	17,93,714
16	Paid-up Equity Share Capital (Face Value of Rs. 10 Each)	268.22	268.22	268.22	268.22	268.22	268.22
17	Other Equity	-	-	-	-	-	54,456
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (Rs.)	* (100.59)	* (109.35)	* 70,935.72	* (304.04)	* 66,969.43	66,874.73
(b)	Diluted EPS (Rs.)	* (100.59)	* (109.35)	* 70,935.72	* (304.04)	* 66,969.43	66,874.73



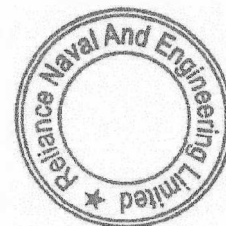
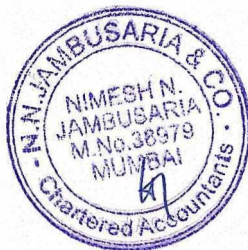
Background of the Company

1. The consolidated financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries and associates for the period ended December 31st, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made by



SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07th, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

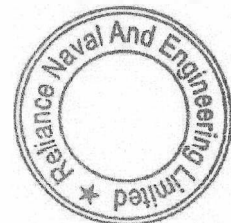
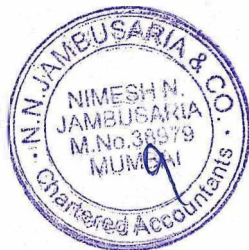
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the consolidated financial statement for the period ended December 31st, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

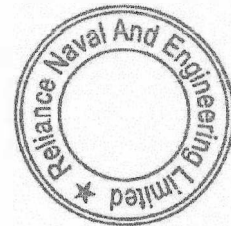
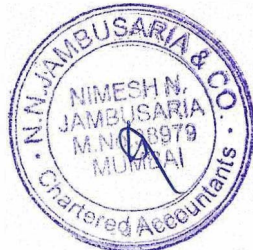
6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 8th, 2023
Bhavik Nikhil Merchant	Director	December 8th, 2023
Vivek Paresh Merchant	Director	December 8th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

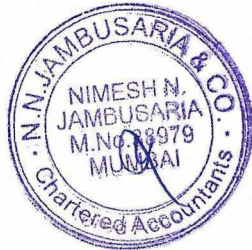
*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f. February 13th, 2024, at the board meeting held on February 13th, 2024.



11. As on December 31st, 2023, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.
12. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending December 31st, 2023. There are three subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

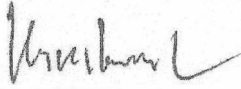
Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04, 2023 which has been set aside by NCLAT by its order dated July 25, 2024.
2	PDOC Pte. Limited	Active
3	Reliance Technologies and Systems Private Limited	Active

13. During the period June 30th, 2023 prior period income was booked amounting to INR 40.35 lakhs income.
14. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from 23.06.2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% from June 23, 2023 to June 30, 2023. In the Meeting of the Joint Lenders of the company, held on September 12, 2023, the unrelated financial creditors have agreed to give an extension of time for making the balance upfront payment subject to payment of interest for the delay, at SBI MCLR of 1 year (8.5%) plus 250 basis points from September 15, 2023 till the date of payment on reducing balance basis. Therefore the company has charged interest of INR 517.68 lakhs and INR 127.47 lakhs in the second quarter and third quarter respectively.
15. As per NCLT order dated November 21st, 2023, 1st tranche amounted INR 312 crores is deferred and interest is payable to unrelated financial creditors. Hence, as per the order, the company has charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23rd, 2023 till the date of payment which is August 7th, 2024. Therefore, the company has charged interest of INR 75.19 lakhs in the third quarter.

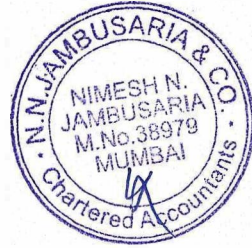
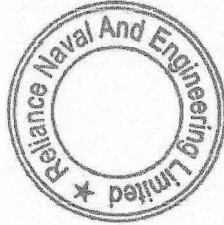


16. The consolidated figures for the quarter ended December 31st, 2023, are the balancing figures between the unaudited consolidated figure for the period ended December 31st, 2023, and year-to-date unaudited consolidated financial results for the period ended September 30th, 2023.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022.

2. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Reliance Naval and Engineering Limited (the "Company") for the Quarter and Nine months ended December 31, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.



4. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
5. Based on our review conducted and procedures performed as stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Although the unaudited standalone financial results for the quarter and nine months ended December 31, 2023, along with the audited financial statements as of March 31, 2024, were signed and approved by the Board of Directors on the same date, we, as the auditors, have reviewed and issued Limited Review Report on the interim financial results for the respective quarter and nine months ended.

For N. N. Jambusaria & CO.

Chartered Accountants

Firm Reg. No: 104030W



Nimesh N. Jambusaria

Partner

Mem. No. 038979

UDIN: 24038979BKBNXE1255

Place: Mumbai

Date: November 11, 2024

Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnavel.co.in, E-mail: rdel.investors@reliance-na.com, CIN: L35110GJ1997PLC033193

Statement of Unaudited standalone Financial Results for the Quarter and Nine Month Period Ended December 31, 2023

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Nine Month Period Ended		Year Ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	-	-	40	-	316	316
2	Other Income	50	51	70	225	444	460
3	Total Income (1+2)	50	51	110	225	760	776
4	Expenses						
(a)	Cost of Materials Consumed	10	2	1	15	23	26
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	78	82	85	246	257	326
(e)	Labour/Fabrication and Subcontractor Charges	138	130	187	397	402	528
(f)	Power, Fuel and Water	119	115	170	349	444	567
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	256	188	950	712	3,798	3,957
	Total Expenses	601	517	1,393	1,719	4,926	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(551)	(466)	(1,283)	(1,494)	(4,166)	(4,628)
6	Finance Costs	475	796	46,484	1,610	1,46,584	1,46,973
7	Depreciation and Amortisation Expenses	1,720	1,721	1,717	5,147	5,138	6,829
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(2,746)	(2,983)	(49,484)	(8,251)	(1,55,888)	(1,58,430)
9	Exceptional Items	-	-	19,52,133	-	19,52,123	19,52,123
10	Profit / (Loss) before Tax (8+9)	(2,746)	(2,983)	19,02,649	(8,251)	17,96,235	17,93,693
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(2,746)	(2,983)	19,02,649	(8,251)	17,96,235	17,93,693
14	Other Comprehensive Income						
	Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add- Consolidated share in the profit/(loss) of associate	-	-	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(2,746)	(2,983)	19,02,649	(8,251)	17,96,235	17,93,693
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	268.22	268.22	268.22	268.22
17	Other Equity	-	-	-	-	-	54,205
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (INR)	* (102.38)	* (111.21)	* 70,936.13	* (307.62)	* 66,966.72	66,873.95
(b)	Diluted EPS (INR)	* (102.38)	* (111.21)	* 70,936.13	* (307.62)	* 66,966.72	66,873.95



Background of the Company

1. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended December 31st, 2023. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made by



SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07th, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

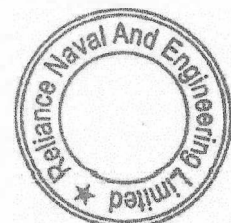
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the financial statement for the period ended December 31st, 2023 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

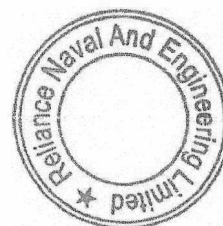
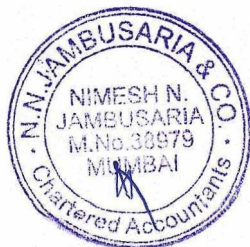
6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 08th, 2023
Bhavik Nikhil Merchant	Director	December 08th, 2023
Vivek Paresh Merchant	Director	December 08th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f. February 13th, 2024, at the board meeting held on February 13th, 2024.

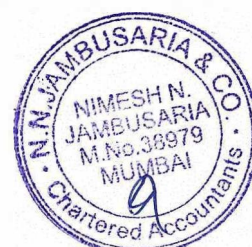
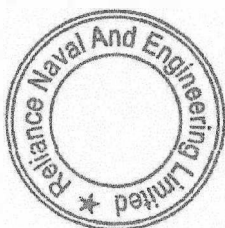


11. As on December 31st, 2023, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.
12. During the period June 30th, 2023 prior period income was booked amounting to INR 40.35 lakhs income.
13. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from 23.06.2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% from June 23, 2023 to June 30, 2023. In the Meeting of the Joint Lenders of the company, held on September 12, 2023, the unrelated financial creditors have agreed to give an extension of time for making the balance upfront payment subject to payment of interest for the delay, at SBI MCLR of 1 year (8.5%) plus 250 basis points from September 15, 2023 till the date of payment on reducing balance basis. Therefore the company has charged interest of INR 517.68 lakhs and INR 127.47 lakhs in the second quarter and third quarter respectively.
14. As per NCLT order dated November 21st, 2023, 1st tranche amounted INR 312 crores is deferred and interest is payable to unrelated financial creditors. Hence, as per the order, the company has charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23, 2023 till the date of payment which is August 7th, 2024. Therefore, the company has charged interest of INR 75.19 lakhs in the third quarter.
15. The figures for the quarter ended December 31st, 2023 are the balancing figures between the unaudited figure for the period ended December 31st, 2023, and year-to-date unaudited financial results for the period ended September 30th, 2023.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Report

To

The Board of Directors of Reliance Naval and Engineering Limited
Report on the audit of Consolidated Financial Results ("CFR")

Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022.

1. Opinion

We have audited the accompanying consolidated financial results of Reliance Naval and Engineering Limited (hereinafter referred to as "the Parent Company") and its subsidiaries (Parent Company and its Subsidiaries together referred to as "the Group") which includes the Group's share of net profit/loss after tax in its associate for the quarter and the year ended March 31, 2024 ("the statement") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/financial information of subsidiaries and associates, the aforesaid CFR



- a. Includes the result of the following one associate

Sr.No	Name of the associate
1	Conceptia Software Technologies Private Limited

- b. is presented in accordance with the requirements of Regulation 33 of 'the Listing Regulations and
- c. give a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable Ind-AS and other accounting principles generally accepted in India, of consolidated net profit, total comprehensive profit (comprising of net profit and other comprehensive profit) and other financial information of the Group, its associate company for the quarter and year ended March 31, 2024.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the CFR' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the SFS under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and that obtained by the other auditors in terms of their reports referred to in "Other Matters" paragraph below in this audit report, is sufficient and appropriate to provide a basis for our opinion.

3. Management's Responsibilities for the CFR

These quarterly as well as the year-to-date CFR have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Board of Directors are responsible with respect to the preparation of these CFR that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records,



relevant to the preparation and presentation of the CFR that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the CFR by the Directors of the Holding Company, as aforesaid.

In preparing the CFR, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

4. Auditor's Responsibilities for the Audit of the CFR

Our objectives are to obtain reasonable assurance about whether the CFR as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these CFR.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the CFR, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going-concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the CFR or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of



our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the CFR, including the disclosures, and whether the CFR represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the CFR. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the CFR of which we are the independent auditors. For the other entities included in the CFR, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance ("TCWG") of the Holding Company and such other entities included in the CFR of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those TCWG with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

5. Other Matters

- i. We did not audit the financial statement of one associate whose share of loss amounting to INR 19 lakhs & share of profit amounting to INR 77 lakhs for the quarter and year ended March 31, 2023, as considered in the consolidated financial results. These financial results have been audited by other auditors whose reports have been furnished to us by the Board of Directors and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditor.
- ii. In case of three subsidiaries the interim financial information for the quarter and year ended March 31, 2024, is not available. In absence of the aforesaid interim financial information, the same have not been included in the audited consolidated results. In our opinion and according to information and explanation given to us by the management, these financial information are not material to the group.
- iii. Attention is drawn to the fact that the figures for the quarter ended March 31, 2024 as



N. N. Jambusaria & Co.

Chartered Accountants

reported in the CFR are the balancing figures in respect of the year ended March 31, 2024 and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit as required by Listing Regulations.

- iv. The annual financial results dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2024, on which we issued an unmodified audit opinion vide our report dated November 11, 2024.

Our opinion on the statement is not modified in respect of these matters.

For N. N. Jambusaria & CO.

Chartered Accountants

Firm Reg. No: 104030W

N.N. Jambusaria



Nimesh N. Jambusaria

Partner

Mem. No. 038979

UDIN: 24038979BKBNXF4194

Place: Mumbai

Date: November 11, 2024

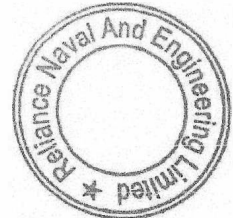
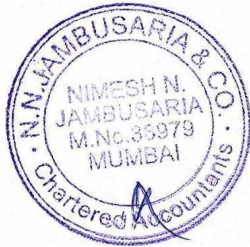
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnavel.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Audited Consolidated Financial Results for the Quarter and Year Ended March 31, 2024

INR in Lakhs

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from Operations	-	-	-	-	316
2	Other Income	21	50	16	246	460
3	Total Income (1+2)	21	50	16	246	776
4	Expenses					
(a)	Cost of Materials Consumed	12	16	3	27	26
(b)	Cost of Raw Material Sold	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-
(d)	Employee Benefits Expenses	226	78	69	472	326
(e)	Labour/Fabrication and Subcontractor Charges	239	138	126	636	528
(f)	Power, Fuel and Water	147	119	121	496	567
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-
(j)	Other Expenses	554	256	159	1,266	3,557
	Total Expenses	1,178	601	478	2,897	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(1,157)	(551)	(462)	(2,651)	(4,628)
6	Finance Costs	1,029	475	389	2,639	1,46,973
7	Depreciation and Amortisation Expenses	1,699	1,720	1,691	6,846	6,829
8	Loss Before Exceptional Items (5-6-7)	(3,885)	(2,746)	(2,542)	(12,136)	(1,58,430)
9	Exceptional Items	-	-	-	-	19,52,123
10	Loss before Tax (8+9)	(3,885)	(2,746)	(2,542)	(12,136)	17,93,693
11	Income Tax for Earlier Years	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-
13	Loss After Tax (10+11+12)	(3,885)	(2,746)	(2,542)	(12,136)	17,93,693
14	Other Comprehensive Income					
	Items that will not to be reclassified to profit and loss in the subsequent year					
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-
(ii)	Accl- Consolidated share in the profit/(loss) of associate	(19)	48	3	77	21
	Total Other Comprehensive Income for the period/year	(19)	48	3	77	21
15	Total Comprehensive Income for the period/year (13+14)	(3,904)	(2,698)	(2,539)	(12,059)	17,93,714
16	Paid-up Equity Share Capital (Face Value of Rs. 10 Each)	268.22	268.22	268.22	268.22	268.22
17	Other Equity	-	-	-	42,396.71	54,456.20
18	Earnings Per Share (EPS) (* Not Annualised)					
(a)	Basic EPS (Rs.)	* (145.55)	* (100.59)	* (94.66)	(449.59)	66,874.73
(b)	Diluted EPS (Rs.)	* (145.55)	* (100.59)	* (94.66)	(449.59)	66,874.73



STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES		INR in Lakhs	
		As at March 31, 2024	As at March 31, 2023
		Audited	Audited
Particulars			
I ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment		1,10,757	1,16,486
(b) Right-of-use Assets		6,000	6,732
(c) Capital Work in Progress		4,307	3,669
(d) Intangible Assets		-	-
(e) Financial Assets			
(i) Investments		481	404
(f) Deferred Tax Assets (net)		-	-
(g) Other Non Current Assets		9,411	9,343
Total Non Current Assets (A)		1,30,956	1,36,634
(2) Current Assets			
(a) Inventories		1,40,540	1,40,515
(b) Financial Assets			
(i) Trade Receivables		-	-
(ii) Cash and Cash Equivalents		1,821	810
(c) Current Tax Assets (net)		5	25
(d) Other Current Assets		1,020	558
Total Non Current Assets (B)		1,43,386	1,41,908
TOTAL ASSETS (A+B)		2,74,342	2,78,542
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital		268	268
Share Application Money		5,000	
(b) Other Equity		42,397	54,456
Total Equity (A)		47,665	54,724
(2) Liabilities			
2.1 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1,62,574	1,85,000
(ii) Lease Liability		7,320	8,137
(b) Provisions		43	43
Total Non Current Liabilities (B)		1,69,937	1,93,180
2.2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		50,800	20,000
(ii) Lease Liability		1,175	809
(iii) Trade Payables			
Total outstanding dues of micro and small enterprises		3	28
Total outstanding dues of creditors other than micro and small enterprises		3,678	7,798
(iv) Other Financial Liabilities		1,065	1,925
(b) Other Current Liabilities		19	78
(c) Provisions		-	-
Total Non Current Liabilities (C)		56,740	30,638
TOTAL EQUITY AND LIABILITIES (A+B+C)		2,74,342	2,78,542

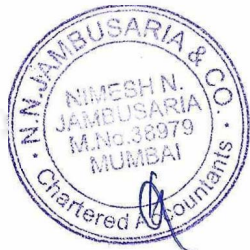


Audited Consolidated Cash Flow Statement

Sr. Particulars	INR in Lakhs	
	2023 - 2024	2022 - 2023
A Cash Flow from Operating Activities		
Profit / (Loss) before Tax and associate profit	(12,136)	17,93,693
Adjustments for :-		
Depreciation and Amortisation Expenses	6,846	6,829
Interest Income	(9)	(12)
Loss on Sale of Plant, property and equipments (net)	-	1,805
Finance Costs	2,639	1,46,973
Roll recalculation Fixed asset Impairment and W/off	-	221
Operating cash flow before working capital changes	(2,660)	19,49,508
Movement in Working Capital		
(Increase) / Decrease in Inventories	(24)	68,117
(Increase) / Decrease Other non current assets	6	-
(Increase) / Decrease Trade and Other Receivables	(463)	15,355
Increase in / (Decrease) Trade and Other Payables	(3,893)	(18,90,455)
Cash Used in Operations	(7,034)	1,42,525
Income Taxes (Paid) / Refund	19	308.18
Net Cash from Operating Activities	(7,015)	1,42,833
B Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Capital Work in Progress	(1,022)	1,156
FD kept with bank	(74)	-
Interest Received	9	12
Net Cash from Investing Activities	(1,087)	1,168
C Cash Flow from Financing Activities		
Finance Costs	(2,639)	(1,46,973)
Share capital money received	5,000	-
Upfront Payment as per plan	(20,000)	-
Interest on upfront payment	(655)	-
Borrowings (from Hazel Infra Ltd)	28,374	1,000
Repayment of Borrowings (Interim funding)	(804)	-
Interest paid of repayment of Borrowings (Interim funding)	(133)	-
Net Cash used in Financing Activities	9,113	(1,45,973)
Net (decrease) / Increase in cash and cash equivalents (A+B+C)	1,011	(1,972)
Cash and Cash Equivalents at the beginning of the year	810	2781.76
Cash and Cash Equivalents at the end of the year (refer note B)	1,821	810

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in IND AS 7 - Cash Flow Statement
- Previous Year Figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.



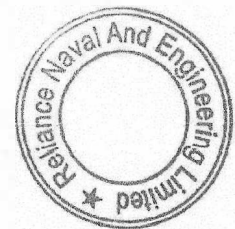
Background of the Company

1. The consolidated financial results comprise the standalone financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries and associates, for the period ended March 31st, 2024. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBI Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made



by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

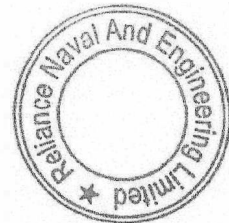
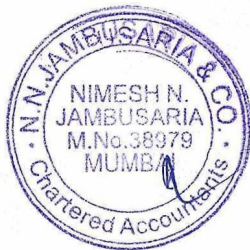
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the consolidated financial statement for the period ended March 31st, 2024 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

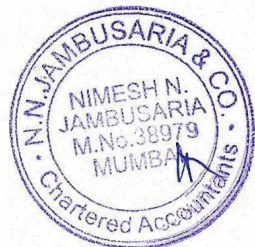
6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023, which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 8th, 2023
Bhavik Nikhil Merchant	Director	December 8th, 2023
Vivek Paresh Merchant	Director	December 8th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f February 13th, 2024, at the board meeting held on February 13th, 2024.



11. As on March 31st, 2024, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.

12. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending March 31st, 2024. There are three subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04 th , 2023 which has been set aside by NCLAT by its order dated July 25 th , 2024.
2	PDOC Pte. Limited	Active
3	Reliance Technologies and Systems Private Limited	Active

13. During the period June 30th, 2023 prior period income was booked amounting to INR 40.35 lakhs income.

14. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from 23.06.2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% p.a. from June 23rd, 2023 to June 30th, 2023. In the Meeting of the Joint Lenders of the company, held on September 12th, 2023, the unrelated financial creditors have agreed to give an extension of time for making the balance upfront payment subject to payment of interest for the delay, at SBI MCLR of 1 year (8.5% p.a.) plus 250 basis points from September 15th, 2023 till the date of payment on reducing balance basis. Therefore, the company has charged interest of INR 517.68 lakhs and INR 127.47 lakhs in the second quarter and third quarter respectively.

15. As per NCLT order dated November 21st, 2023, interest for deferred payment of 1st tranche amounted INR 312 crores is payable to unrelated financial creditors. Hence, as per the order, the company has charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23rd, 2023 till the date of payment which is August 7th, 2024. Therefore, the company has charged interest of INR 75.19 lakhs and INR 760.22 lakhs in the third quarter and fourth quarter respectively.

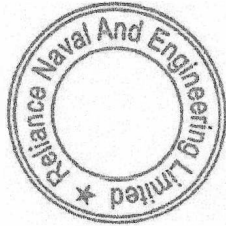


16. The consolidated figures for the quarter ended March 31st, 2024, are the balancing consolidated figures between the unaudited consolidated figures in respect of the nine-month financial and year-to-date audited consolidated financial results for the year ended March 31st, 2024.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Report

To

The Board of Directors of Reliance Naval and Engineering Limited
Report on the audit of Standalone Financials Results ("SFR")

Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal ("NCLT") admitted an insolvency and bankruptcy petition filed by IDBI Bank, acting as a financial creditor, against Reliance Naval and Engineering Limited ("the Company"). The resolution plan submitted by M/s. Hazel Mercantile Limited, the Resolution Applicant, was approved by the NCLT through an order dated December 23, 2022.

In accordance with the approved resolution plan, majority of payments due to Financial Creditors, Operational Creditors, and Employees, along with the Corporate Insolvency Resolution Process ("CIRP") and Monitoring Committee ("MC") period costs, were paid by January 4, 2024. Subsequently, the MC was discharged on January 4, 2024, and the newly appointed board of directors ("New Management") of the Company was given full authority to manage the Company's affairs in compliance with the Companies Act, 2013.

The impact of resolution plan has been given in the financial statement for the quarter and nine months ended December 31, 2022.

1. Opinion

We have audited the accompanying standalone financial results of Reliance Naval and Engineering Limited ("the Company"), for the quarter and year ended March 31, 2024, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these SFR.

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2024.



2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Companies Act, 2013 (the Act). Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the SFR' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the SFR under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Management's Responsibilities for the Standalone Financial Results ("SFR")

These quarterly as well as the year-to-date SFR have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible with respect to the preparation of these SFR that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the SFR that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the SFR, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

4. Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the SFR as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered



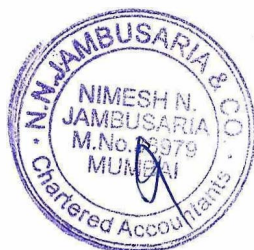
material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these SFR.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the SFS, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the SFS or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the SFS, including the disclosures, and whether the SFS represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance ('TCWG') regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide TCWG with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to that extent applicable.

5. Other Matters

- i. Attention is drawn to the fact that the figures for the quarter ended March 31, 2024, as reported in the statement are the balancing figures in respect of the year ended March 31, 2024, and published year to date figures up to the end of the third quarter of the relevant financial year. The figures up to the end of the third quarter are only reviewed and not subjected to audit as required by Listing Regulations.
- ii. The annual financial results dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2024, on which we issued an unmodified audit opinion vide our report dated November 11, 2024.

Our opinion on the statement is not modified in respect of these matters.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W

N. N. Jambusaria



Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXG1210
Place: Mumbai
Date: November 11, 2024

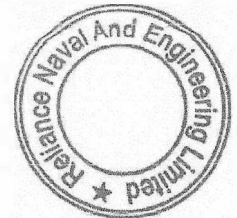
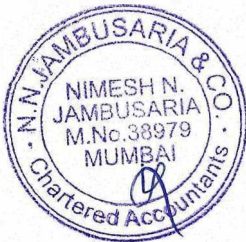
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnel.co.in, E-mail: rnel@swan.co.in, CIN: L35110GJ1997PLC033193

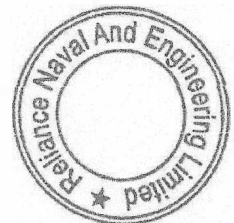
Statement of Audited Standalone Financial Results for the Quarter and Year Ended March 31, 2024

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Unaudited	Unaudited	Audited	Audited
1	Revenue from Operations	-	-	-	-	316
2	Other Income	21	50	16	246	460
3	Total Income (1+2)	21	50	16	246	776
4	Expenses					
	(a) Cost of Materials Consumed	12	10	3	27	26
	(b) Cost of Raw Material Sold	-	-	-	-	-
	(c) Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-
	(d) Employee Benefits Expenses	224	78	69	472	326
	(e) Labour/Fabrication and Subcontractor Charges	239	138	126	636	528
	(f) Power, Fuel and Water	147	119	121	496	567
	(g) Cost Estimated for Revenue Recognised	-	-	-	-	-
	(h) Foreign Exchange Difference (net)	-	-	-	-	-
	(i) Provision for Non-Moving Inventory	-	-	-	-	-
	(j) Other Expenses	554	256	159	1,266	3,957
	Total Expenses	1,178	601	478	2,897	5,404
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and finance Cost (3-4)	(1,157)	(551)	(462)	(2,651)	(4,628)
6	Finance Costs	1,029	475	359	2,639	1,46,973
7	Depreciation and Amortisation Expenses	1,699	1,720	1,691	6,846	6,829
8	Loss Before Exceptional Items (5-6-7)	(3,885)	(2,746)	(2,542)	(12,136)	(1,58,430)
9	Exceptional Items	-	-	-	-	19,52,123
10	Loss before Tax (8+9)	(3,885)	(2,746)	(2,542)	(12,136)	17,93,693
11	Income Tax for Earlier Years	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-
13	Loss After Tax (10+11+12)	(3,885)	(2,746)	(2,542)	(12,136)	17,93,693
14	Other Comprehensive Income					
	Items that will not to be reclassified to profit and loss in the subsequent year					
	(i) Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-
	(ii) Add:- Consolidated share in the profit/(loss) of associate	-	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(3,885)	(2,746)	(2,542)	(12,136)	17,93,693
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	268.22	268.22	268.22
17	Other Equity	-	-	-	42,069.06	54,205.05
18	Earnings Per Share (EPS) (* Not Annualised)					
(a)	Basic EPS (INR)	* (144.84)	* (102.38)	* (94.77)	(452.46)	66,873.95
(b)	Diluted EPS (INR)	* (144.84)	* (102.38)	* (94.77)	(452.46)	66,873.95



AUDITED STATEMENT OF STANDALONE ASSETS AND LIABILITIES		INR in Lakhs	
		As at March 31, 2024	As at March 31, 2023
Particulars		Audited	Audited
I ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment		1,10,757	1,16,486
(b) Right-of-use Assets		6,000	6,732
(c) Capital Work in Progress		4,307	3,669
(d) Intangible Assets		-	-
(e) Financial Assets			
(i) Investments		153	153
(f) Deferred Tax Assets (net)		-	-
(g) Other Non Current Assets		9,411	9,343
Total Non Current Assets (A)		1,30,628	1,36,383
(2) Current Assets			
(a) Inventories		1,40,540	1,40,515
(b) Financial Assets			
(i) Trade Receivables		-	-
(ii) Cash and Cash Equivalents		1,821	810
(c) Current Tax Assets (net)		5	25
(a) Other Current Assets		1,020	558
Total Non Current Assets (B)		1,43,386	1,41,908
TOTAL ASSETS (A+B)		2,74,014	2,78,291
II EQUITY AND LIABILITIES			
(1) (a) Equity Share Capital			
(a) Equity Share Capital		268	268
Share Application Money		5,000	
(b) Other Equity		42,069	54,205
Total Equity (A)		47,337	54,473
(2) Liabilities			
2.1 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1,62,574	1,85,000
(ii) Lease Liability		7,320	8,137
(b) Provisions		43	43
Total Non Current Liabilities (B)		1,69,937	1,93,180
2.2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		50,800	20,000
(ii) Lease Liability		1,175	809
(iii) Trade Payables			
Total outstanding dues of micro and small enterprises		3	28
Total outstanding dues of creditors other than micro and small enterprises		3,678	7,798
(iv) Other Financial Liabilities		1,065	1,925
(b) Other Current Liabilities		19	78
(c) Provisions		-	-
Total Non Current Liabilities (C)		56,740	30,638
TOTAL EQUITY AND LIABILITIES (A+B+C)		2,74,014	2,78,291



Audited Standalone Cash Flow Statement for the year ended March 31, 2024

Sr. Particulars	INR in Lakhs	
	2023 - 2024	2022 - 2023
A Cash flow from Operating Activities		
Net Loss before Tax	(12,136)	17,93,693
Adjustments for :-		
Depreciation and Amortisation Expenses	6,846	6,828
Interest Income	(9)	(12)
Loss on Sale of Plant, property and equipments (net)	-	1,805
Finance Costs	2,639	1,46,973
Roll recalculation Fixed asset Impairment and W/off	-	221
Operating cash flow before working capital changes	(2,660)	19,49,508
Movement in Working Capital		
(Increase) / Decrease in Inventories	(24)	68,117
(Increase) / Decrease Other non current assets	6	-
(Increase) / Decrease Trade and Other Receivables	(463)	15,355
Increase in / (Decrease) Trade and Other Payables	(3,893)	(18,90,455)
Cash Used in Operations	(7,034)	1,42,525
Direct Taxes (Paid) / Refund	19	308
Net Cash from Operating Activities	(7,015)	1,42,833
B Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Capital Work in Progress	(1,022)	1,156
FD kept with bank	(74)	-
Interest Received	9	12
Net Cash from Investing Activities	(1,087)	1,168
C Cash flow from Financing Activities		
Finance Costs	(2,639)	(1,46,973)
Share capital money received	5,000	-
Upfront Payment as per plan	(20,000)	-
Interest on upfront payment	(685)	-
Borrowings (From Hazel Infra Ltd)	28,374	1,000
Repayment of Borrowings (Interim funding)	(804)	-
Interest paid of repayment of Borrowings (Interim funding)	(133)	-
Net Cash used in financing Activities	9,113	(1,45,973)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	1,011	(1,972)
Cash and Cash Equivalents at the beginning of the year	810	2781.76
Cash and Cash Equivalents at the end of the year (refer note 8)	1,821	810

Notes :

- The above cash flow statement has been prepared under the "Indirect Method" as set out in IND AS 7 - Cash Flow Statement
- Previous Year figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.



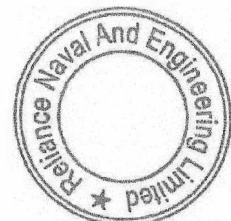
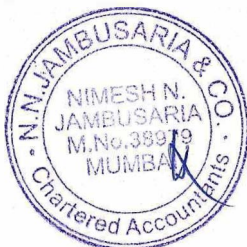
Background of the Company

1. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended March 31st, 2024. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. On September 4th, 2018, IDBi Bank in its capacity of financial creditor filed a petition under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code") with the Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") against the Company. The NCLT, vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Code and appointed Mr. Rajeev Bal Sawangikar as the Interim Resolution Professional ("IRP") in accordance with Section 16 of the Code. Subsequently, pursuant to the meeting held on March 13th, 2020, the Committee of Creditors (the "CoC") replaced IRP with Mr. Sudip Bhattacharya as the Resolution Professional ("RP") for the Company. Upon the application filed by CoC, the NCLT approved the appointment of RP vide its order dated May 5th, 2020. The powers of the Board of Directors of the Company were suspended with effect from January 15th, 2020 i.e. the commencement of the insolvency proceedings, and continue to remain suspended till the end of current period, i.e. June 30th, 2023. Pursuant to the approval of the Resolution Plan, the CIRP of RNEL has been concluded and Mr. Sudip Bhattacharya has ceased to be the resolution professional of the Corporate Debtor, effective on and from December 23rd, 2022. Furthermore, as per the terms of the approved Resolution Plan, a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan. Accordingly, as per the resolution plan and the decision of the members of the Monitoring Committee, Mr. Sudip Bhattacharya has been appointed as the Chairman of the Monitoring Committee vide its 3rd MC meeting dated January 31st, 2023.

In line with approved resolution plan the Successful Resolution Applicant ("SRA") has deposited upfront payment tranches on October 27th, 2023, and the same has been received in the designated bank account of the Company. By January 4th, 2024, majority of the payment to Financial Creditors, Operational Creditors, and Employees as per the approved plan along with CIRP and MC period Cost has been made. Hence it was decided in the MC meeting held on January 4th, 2024 that with effect from the said date the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023. Further, the first tranche of deferred payment of INR 312 Crore was to be made



by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07th, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.
 - d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.
 - e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

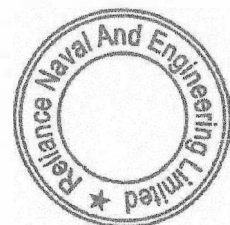
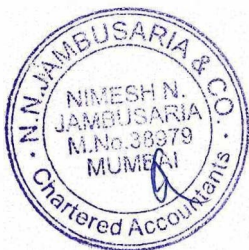
Going Concern

4. The new management has been granted full control of the affairs of the company with effect from January 4, 2024, the financial statement for the period ended March 31st, 2024 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. The amount of INR 1,73,219.05 lakhs were shown as impairment against the Shipbuilding Contracts Receivables from ONGC against the order of Offshore Vessels (OSVs) and Naval Offshore Patrol Vessels (NOPVs) from the Ministry of Defense (MOD). After getting the relevant information, the new management realized that the amount of INR 1,73,219.05 lakhs representing various contracts is not receivable and hence has been considered for write-off from the books of accounts. In response to the Show Cause Notice from Ministry of Defence, the Company replied to the notice and also filed a writ petition along with a stay application before the Delhi High Court on February 15th, 2020.

The captioned matter was listed for hearing before the Hon'ble Delhi High Court on February 17th, 2020. After hearing the arguments of both parties at length, the Hon'ble Court was pleased to direct the MOD to consider the writ petition as a representation in response to the Impugned Termination Notice and take a decision on termination as per law. The Hon'ble Court was further pleased to direct that in case the final decision of the MOD in relation to the termination of the NOPV Contract is adverse to the interests of the Company, the operation of the said decision shall remain suspended for a period of 7 days after the communication of such decision to the Company.



Although the MOD has not revived the contract, it had offered the Company an opportunity to present a proposal by August 31st, 2020, outlining how it can complete two of the five NOPVs (NS001 and NS002) which are in advanced stages of completion by outsourcing the remaining work to a PSU shipyard. This is at a proposal stage and only if the MOD is agreeable of the proposal, the MOD may accept the plan for two of the five NOPVs. RP has filed I.A. in NCLT against the cancellation of the order. Pending the final decision by NCLT and the MOD which is due for hearing, the Company has conservatively decided to write off the same.

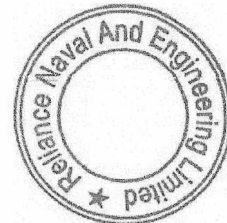
6. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

7. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
8. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
9. The Number of equity shares in the company stands reduced based on the approved resolution plan by the Hon'ble National Company Law Tribunal in the ratio of 1 share each for 275 shares held in the company, resulting in the reduction of equity capital by INR 73,490.91 lakhs. As per the approved resolution plan, Hazel Infra Limited was to invest INR 5,000 lakhs by way of 5 crores equity shares of INR 10 each in the company. The infusion of the amount happened on October 27th, 2023.
10. New Management has been appointed as follows on the board of the Company.

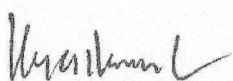
Name of Director	Designation	Date of Appointment
Nikhil Vasantlal Merchant*	Chairman & Managing Director	December 8th, 2023
Paresh Vasantlal Merchant	Director	December 8th, 2023
Bhavik Nikhil Merchant	Director	December 8th, 2023
Vivek Paresh Merchant	Director	December 8th, 2023
Kaiyoze Beji Billimoria	Independent Director	December 14th, 2023
Ashishkumar Bairagra	Independent Director	December 14th, 2023
Arun Sinha	Independent Director	December 14th, 2023
Prabhakar Reddy Patil	Independent Director	December 16th, 2023
Maya Swaminathan Sinha	Independent Director	December 14th, 2023
Arvind Jayasing Morbale	Whole-time Director	December 14th, 2023

*Mr. Nikhil Vasantlal Merchant was appointed as Non-Executive Director on December 8th, 2023, and has been redesignated as Chairman & Managing Director w.e.f February 13th, 2024, at the board meeting held on February 13th, 2024.

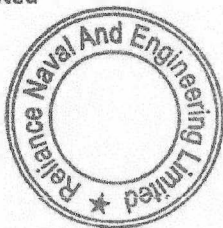


11. As on March 31st, 2024, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.
12. During the period June 30th, 2023 prior period income was booked amounting to INR 40.35 lakhs income.
13. As per NCLT order dated August 1st, 2023 interest at the rate of SBI MCLR plus 200 basis points is payable with effect from 23.06.2023 till the making up full upfront payment of INR 200 Crs to unrelated financial creditors. Hence as per the order, the company has charged interest of INR 40.27 lakhs at the rate of 10.50% p.a. from June 23rd, 2023 to June 30th, 2023. In the Meeting of the Joint Lenders of the company, held on September 12th, 2023, the unrelated financial creditors have agreed to give an extension of time for making the balance upfront payment subject to payment of interest for the delay, at SBI MCLR of 1 year (8.5% p.a.) plus 250 basis points from September 15th, 2023 till the date of payment on reducing balance basis. Therefore, the company has charged interest of INR 517.68 lakhs and INR 127.47 lakhs in the second quarter and third quarter respectively.
14. As per NCLT order dated November 21st, 2023, 1st tranche amounted INR 312 crores is deferred and interest is payable to unrelated financial creditors. Hence, as per the order, the company has charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23rd, 2023 till the date of payment which is August 7th, 2024. Therefore, the company has charged interest of INR 75.19 lakhs and INR 760.22 lakhs in the third quarter and fourth quarter respectively.
15. The figures for the quarter ended March 31st, 2024, are the balancing figures between the unaudited figure in respect of the nine-month financial and year-to-date audited financial results for the year ended March 31st, 2024.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



RELIANCE NAVAL AND ENGINEERING LIMITED

Pipavav Port, Post - Uchhaiya. Via - Rajula, Dist. - Amreli, PIN - 365 560, Gujarat
CIN - L35110GJ1997PLC033193 Phone No.: +91 22 4058 7300 Email: rnel@swan.co.in

SDHIL/SE/32/2024-25

November 11, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

BSE Scrip Code : 533107

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051

NSE Symbol : RNAVAL

Subject: Declaration pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

In terms of the provisions of Regulation 33 (3) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we confirm that the Statutory Auditors, M/s N. N. Jambusaria & Co., have issued Audit Reports on Standalone and Consolidated Financial Results dated November 11, 2024 with unmodified opinion on the Annual Audited Financial Results of the Company for the year ended March 31, 2024.

Thanking you,

Yours truly,

For **Reliance Naval and Engineering Limited**



(Rishi Chopra)

Chief Financial Officer

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Reliance Naval and Engineering Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of net loss after tax in its associates, for the quarter ended June 30, 2024 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the regulation") as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the 'Listing Regulations'. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of Parent's persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the result of the following entity: -



Sr.No	Name of the associate
1	Conceptia Software Technologies Private Limited

- Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
- The unaudited consolidated financial results also includes the Group's share of net loss after tax in its associates of INR 8 lakhs for the quarter ended June 30, 2024, as considered in the unaudited consolidated financial results in respect of one associate whose financial information had not been audited/reviewed by their auditors. These unaudited financial information have been furnished to us by the management and our opinion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited financial information. In our opinion and according to information and explanation given to us by the management, these financial information is not material to the group.
- In case of three subsidiaries the interim financial information for the quarter ended June 30, 2024 is not available. In absence of the aforesaid interim financial information, the interim financial information in respect of the aforesaid subsidiaries for the quarter ended June 30, 2024 have not been included in the unaudited consolidated results. In our opinion and according to information and explanation given to us by the management, these financial information are not material to the group.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W



Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXJ9136
Place: Mumbai
Date: November 11, 2024



Reliance Naval and Engineering Limited

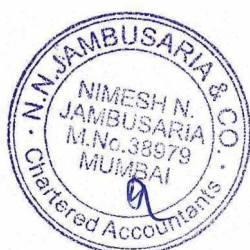
Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560. India.

Website: www.rnaval.co.in, E-mail: rnel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Consolidated Financial Results for the Quarter Ended June 30, 2024

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		Unaudited	Audited	Unaudited	Audited
1	Revenue from Operations	-	-	-	-
2	Other Income	197	21	124	246
3	Total Income (1+2)	197	21	124	246
4	Expenses				
(a)	Cost of Materials Consumed	75	12	3	27
(b)	Cost of Raw Material Sold	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-
(d)	Employee Benefits Expenses	392	226	86	472
(e)	Labour/Fabrication and Subcontractor Charges	225	239	129	636
(f)	Power, Fuel and Water	144	147	115	496
(g)	Cost Estimated for Revenue Recognised	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-
(j)	Other Expenses	1,991	554	268	1,266
	Total Expenses	2,827	1,178	601	2,897
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(2,630)	(1,157)	(477)	(2,651)
6	Finance Costs	1,031	1,029	339	2,639
7	Depreciation and Amortisation Expenses	1,484	1,699	1,706	6,846
8	Loss Before Exceptional Items (5-6-7)	(5,145)	(3,885)	(2,522)	(12,136)
9	Exceptional Items	-	-	-	-
10	Loss before Tax (8+9)	(5,145)	(3,885)	(2,522)	(12,136)
11	Income Tax for Earlier Years	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-
13	Loss After Tax (10+11+12)	(5,145)	(3,885)	(2,522)	(12,136)
14	Other Comprehensive Income				
	Items that will not to be reclassified to profit and loss in the subsequent year				
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	(8)	(19)	(1)	77
	Total Other Comprehensive Income for the period/year	(8)	(19)	(1)	77
15	Total Comprehensive Income for the period/year (13+14)	(5,153)	(3,904)	(2,523)	(12,059)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	268.22	268.22
17	Other Equity	-	-	-	42,396.71
18	Earnings Per Share (EPS) (* Not Annualised)				
(a)	Basic EPS (INR)	* (192.12)	* (145.55)	* (94.06)	(449.59)
(b)	Diluted EPS (INR)	* (192.12)	* (145.55)	* (94.06)	(449.59)

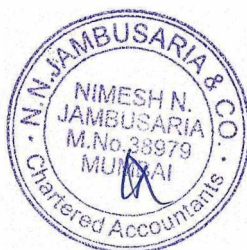


Background of the Company

1. The consolidated financial results comprise the standalone financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries and associates for the period ended June 30th, 2024. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).
The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels (NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.
2. The Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT"), vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code"). Pursuant to the approval of the Resolution Plan, as per NCLT Order dated December 23rd, 2022 the CIRP of RNEL was concluded and a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan.
In line with approved resolution plan w.e.f. January 4th, 2024, the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023.
Further, the first tranche of deferred payment of INR 312 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which actually has been paid on August 07th, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.



d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.

e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

Going Concern

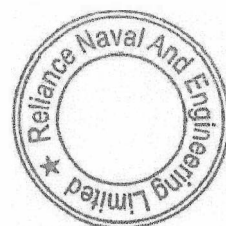
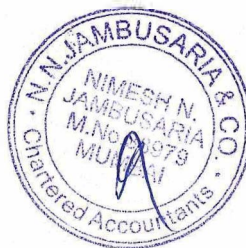
4. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the consolidated financial statement for the period ended June 30th, 2024 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

6. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
7. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
8. As on June 30th, 2024, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.

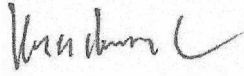


9. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending June 30th, 2024. There are three subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

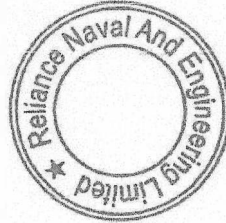
Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04 th , 2023 which has been set aside by NCLAT by its order dated July 25 th , 2024.
2	PDOC Pte. Limited	Active
3	Reliance Technologies and Systems Private Limited	Active

10. As per NCLT order dated November 21st, 2023, the payment of 1st tranche amounted INR 312 crores is payable to unrelated financial creditors on December 23rd, 2023. Payment of 1st tranche is made on August 7th, 2024. Hence, as per the order, the company charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23rd, 2023, till the date of payment, which is August 7th, 2024. Therefore, the company has charged interest of INR 762.31 lakhs in the Quarter ended June 30th, 2024.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Reliance Naval and Engineering Limited (the "Company") for the Quarter ended June 30, 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



N. N. Jambusaria & Co.

Chartered Accountants

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W



Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXI5172
Place: Mumbai
Date: November 11, 2024

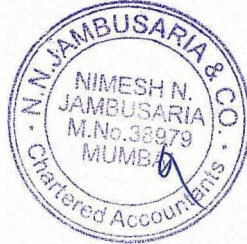


Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnavel.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2024

Sr. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		Unaudited	Audited	Unaudited	Audited
1	Revenue from Operations	-	-	-	-
2	Other Income	197	21	124	246
3	Total income (1+2)	197	21	124	246
4	Expenses				
(a)	Cost of Materials Consumed	75	12	3	27
(b)	Cost of Raw Material Sold	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-
(d)	Employee Benefits Expenses	392	226	86	472
(e)	Labour/Fabrication and Subcontractor Charges	225	239	129	636
(f)	Power, Fuel and Water	144	147	115	496
(g)	Cost Estimated for Revenue Recognised	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-
(j)	Other Expenses	1,991	554	268	1,266
	Total Expenses	2,827	1,178	601	2,897
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(2,630)	(1,157)	(477)	(2,651)
6	Finance Costs	1,031	1,029	339	2,639
7	Depreciation and Amortisation Expenses	1,484	1,699	1,706	6,846
8	Loss Before Exceptional Items (5-6-7)	(5,145)	(3,885)	(2,522)	(12,136)
9	Exceptional Items	-	-	-	-
10	Loss before Tax (8+9)	(5,145)	(3,885)	(2,522)	(12,136)
11	Income Tax for Earlier Years	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-
13	Loss After Tax (10+11+12)	(5,145)	(3,885)	(2,522)	(12,136)
14	Other Comprehensive Income				
	Items that will not to be reclassified to profit and loss in the subsequent year				
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(5,145)	(3,885)	(2,522)	(12,136)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	268.22	268.22	268.22	268.22
17	Other Equity	-	-	-	42,069.06
18	Earnings Per Share (EPS) (* Not Annualised)				
(a)	Basic EPS (INR)	* (191.82)	* (144.84)	* (94.03)	(452.46)
(b)	Diluted EPS (INR)	* (191.82)	* (144.84)	* (94.03)	(452.46)



Background of the Company

1. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended June 30th, 2024. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Ucchaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

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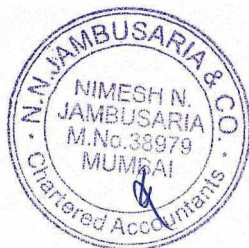
2. The Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT"), vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code"). Pursuant to the approval of the Resolution Plan, as per NCLT Order dated December 23rd, 2022 the CIRP of RNEL was concluded and a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan.

In line with approved resolution plan w.e.f. January 4th, 2024, the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023.

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3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
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Going Concern

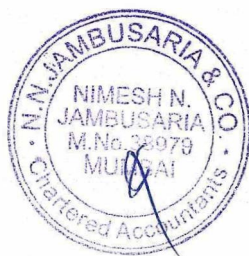
4. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the financial statement for the period ended June 30th, 2024 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

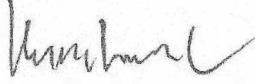
Other

6. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
7. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
8. As on June 30th, 2024, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.

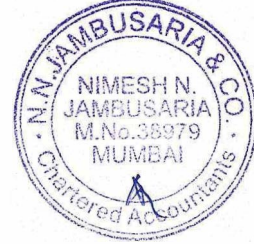
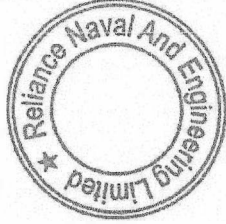


9. As per NCLT order dated November 21st, 2023, the payment of 1st tranche amounted INR 312 crores is payable to unrelated financial creditors on December 23rd, 2023. Payment of 1st tranche is made on August 7th, 2024. Hence, as per the order, the company charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23, 2023, till the date of payment, which is August 7th, 2024. Therefore, the company has charged interest of INR 762.31 lakhs in the Quarter ended June 30th, 2024.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai



Independent Auditor's Review Report on the Quarterly and Half Yearly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

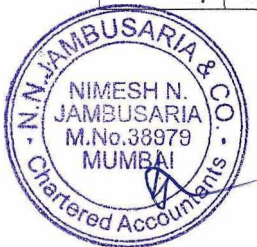
The Board of Directors of Reliance Naval and Engineering Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Reliance Naval and Engineering Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of net profit after tax in its associates, for the quarter and half year ended September 30, 2024 ("the Statement") attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the regulation") as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the 'Listing Regulations'. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily of Parent's persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the result of the following entity: -

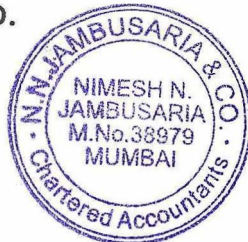
Sr. No	Name of the associate
1	Conceptia Software Technologies Private Limited



5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The unaudited consolidated financial results also includes the Group's share of net profit after tax in its associates of INR 91 lakhs and net profit of INR 83 lakhs for the quarter ended September 30, 2024 and for the period from April 01, 2024 to September 30, 2024, respectively as considered in the unaudited consolidated financial results, for which financial information had not been audited/reviewed by their auditors. This unaudited financial information have been furnished to us by the management and our opinion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on such unaudited financial information. In our opinion and according to the information and explanation given to us by the management, this financial information is not material to the group.
7. In case of three subsidiaries the interim financial information for the quarter and half year ended September 30, 2024, is not available. In absence of the aforesaid interim financial information, the interim financial information in respect of the aforesaid subsidiaries for the quarter and half year ended September 30, 2024, have not been included in the unaudited consolidated results. In our opinion, and according to the information and explanation given to us by the management, these financial information are not material to the group.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W





Nimesh N. Jambusaria
Partner
Mem. No. 038979
UDIN: 24038979BKBNXL7729
Place: Mumbai
Date: November 11, 2024

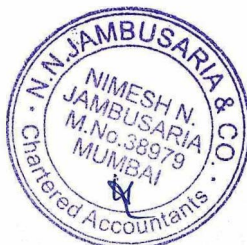
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchchalya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.rnaval.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Consolidated Financial Results for the Quarter and Half Year Ended September 30, 2024

INR in Lakhs

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	96	-	-	96	-	-
2	Other Income	50	197	51	247	175	246
3	Total Income (1+2)	146	197	51	343	175	246
4	Expenses						
(a)	Cost of Materials Consumed	87	75	2	162	5	27
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	601	392	82	993	168	472
(e)	Labour/Fabrication and Subcontractor Charges	383	225	130	608	259	636
(f)	Power, Fuel and Water	167	144	115	311	230	496
(g)	Cost Estimate for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	2,266	1,991	188	4,257	456	1,266
	Total Expenses	3,504	2,827	517	6,331	1,118	2,897
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(3,358)	(2,630)	(466)	(5,988)	(943)	(2,651)
6	Finance Costs	568	1,031	794	1,599	1,135	2,639
7	Depreciation and Amortisation Expenses	1,504	1,484	1,721	2,988	3,427	6,846
8	Profit / (Loss) Before Exceptional Items (5-6-7)	(5,430)	(5,145)	(2,983)	(10,575)	(5,505)	(12,136)
9	Exceptional Items	-	-	-	-	-	-
10	Profit / (Loss) before Tax (8+9)	(5,430)	(5,145)	(2,983)	(10,575)	(5,505)	(12,136)
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(5,430)	(5,145)	(2,983)	(10,575)	(5,505)	(12,136)
14	Other Comprehensive Income						
	Items that will not to be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	91	(8)	50	83	48	77
	Total Other Comprehensive Income for the period/year	91	(8)	50	83	48	77
15	Total Comprehensive Income for the period/year (13+14)	(5,339)	(5,153)	(2,933)	(10,492)	(5,457)	(12,059)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	5,268.22	268.22	268.22	5,268.22	268.22	268.22
17	Other Equity	-	-	-	-	-	42,396.71
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (INR)	* (110.13)	* (192.12)	* (109.35)	* (19.92)	* (203.45)	(449.59)
(b)	Diluted EPS (INR)	* (110.13)	* (192.12)	* (109.35)	* (19.92)	* (203.45)	(449.59)



STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

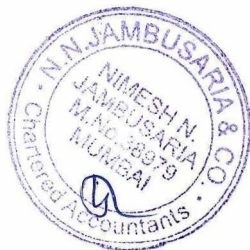
Particulars	As at September 30, 2024	As at March 31, 2024
	Unaudited	Audited
I ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	1,08,677	1,10,757
(b) Right-of-use Assets	5,442	6,000
(c) Capital Work in Progress	8,662	4,307
(d) Intangible Assets	-	-
(e) Financial Assets		
(i) Investments	564	481
(f) Deferred Tax Assets (net)		
(g) Other Non Current Assets	9,419	9,411
Total Non Current Assets (A)	1,32,764	1,30,956
(2) Current Assets		
(a) Inventories	1,40,645	1,40,540
(b) Financial Assets		
(i) Trade Receivables	-	-
(ii) Cash and Cash Equivalents	2,135	1,821
(c) Current Tax Assets (net)	11	5
(d) Other Current Assets	3,147	1,020
Total Non Current Assets (B)	1,45,938	1,43,386
TOTAL ASSETS (A+B)	2,78,702	2,74,342
II EQUITY AND LIABILITIES		
(1) (a) Equity Share Capital		
(a) Equity Share Capital	5,268	268
Share Application Money	-	5,000
(b) Other Equity	31,906	42,397
Total Equity (A)	37,174	47,665
(2) Liabilities		
2.1 Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,08,569	1,62,574
(ii) Lease Liability	6,742	7,320
(b) Provisions	72	43
Total Non Current Liabilities (B)	2,15,383	1,69,937
2.2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	19,600	50,800
(ii) Lease Liability	1,227	1,175
(iii) Trade Payables		
Total outstanding dues of micro and small enterprises	15	3
Total outstanding dues of creditors other than micro and small enterprises	4,633	3,678
(iv) Other Financial Liabilities	670	1,065
(b) Other Current Liabilities	-	19
(c) Provisions	-	-
Total Non Current Liabilities (C)	26,145	56,740
TOTAL EQUITY AND LIABILITIES (A+B+C)	2,78,702	2,74,342



Unaudited Consolidated Cash Flow Statement

TNR in Lakhs

Sr. No.	Particulars	As at September 30, 2024	As at March 31, 2024
		Unaudited	Audited
A	Cash Flow from Operating Activities		
	Profit / (Loss) before Tax and associate profit	(10,575)	(12,134)
	Adjustments for :-		
	Depreciation and Amortisation Expenses	2,988	6,846
	Interest Income	(55)	(9)
	Finance Costs	1,599	2,639
	Operating cash flow before working capital changes	(6,043)	(2,660)
	Movement in Working Capital		
	(Increase) / Decrease in Inventories	(105)	(24)
	(Increase) / Decrease in Other non current assets	(8)	6
	(Increase) / Decrease Trade and Other Receivables	(2,127)	(463)
	Increase in / (Decrease) Trade and Other Payables	1,965	(3,893)
	Cash Used in Operations	(6,318)	(7,034)
	Income Taxes (Paid) / Refund	(6)	19
	Net Cash from Operating Activities	(6,324)	(7,015)
B	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment and Capital Work in Progress	(4,705)	(1,022)
	FD kept with bank	-	(74)
	Interest Received	55	9
	Net Cash Flow (used in)/from Investing Activities	(4,650)	(1,087)
C	Cash Flow from Financing Activities		
	Finance Costs	(1,599)	(2,639)
	Share capital money received	-	5,000
	Upront Payment as per plan	-	(20,000)
	Interest on upfront payment	-	(685)
	First tranche as per plan	(31,200)	-
	Interest on first tranche	(1,908)	-
	Borrowings (From Hazel Infra Ltd)	45,995	28,374
	Repayment of Borrowings (Interim funding)	-	(804)
	Interest paid of repayment of Borrowings (Interim funding)	-	(133)
	Net Cash used in Financing Activities	11,288	9,113
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	314	1,011
	Cash and Cash Equivalents - Opening balance	1,821	810
	Cash and Cash Equivalents - Closing balance	2,135	1,821

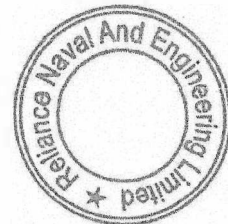
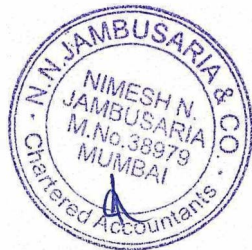


Background of the Company

1. The consolidated financial results comprise the standalone financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") and its subsidiaries and associates for the period ended September 30th, 2024. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).
The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.
2. The Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") , vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code"). Pursuant to the approval of the Resolution Plan, as per NCLT Order dated December 23rd, 2022 the CIRP of RNEL was concluded and a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan.
In line with approved resolution plan w.e.f. January 4th, 2024 the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023.
Further, the first tranche of deferred payment of INR 312 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which has been paid on August 07th, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.



d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.

e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

Going Concern

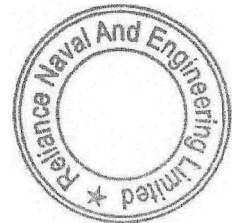
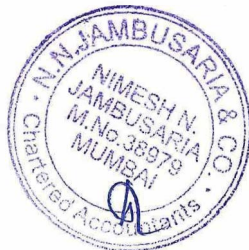
4. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the consolidated financial statement for the period ended September 30th, 2024 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during F.Y. 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

Other

6. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
7. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
8. As on September 30th, 2024, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.

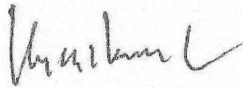


9. As per the applicable accounting framework the entity shall also submit consolidated financial results for the period ending June 30th, 2024. There are three subsidiaries of the company and one associate. The subsidiaries of the Company are separate legal entities, also currently few companies are under CIRP Process, under liquidation and non-operational and the company is not able to obtain relevant data from the available contact details of the subsidiaries. In view of the above, the Company has prepared Consolidated Financial Statements incorporating only Conceptia Software Technologies Private Limited, an associate company. The following wholly-owned subsidiaries are not considered in the consolidation of the financials statement.

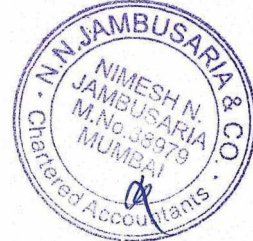
Sr no.	Name of the Company	Status
1	E Complex Private Limited	Resolution Plan approved on December 04 th , 2023 which has been set aside by NCLAT by its order dated July 25 th , 2024.
2	PDOC Pte. Limited	Active
3	Reliance Technologies and Systems Private Limited	Active

10. As per NCLT order dated November 21st, 2023, the payment of 1st tranche amounted INR 312 crores is payable to unrelated financial creditors on December 23rd, 2023. Payment of 1st tranche is made on August 7th, 2024. Hence, as per the order, the company charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23, 2023, till the date of payment, which is August 7th, 2024. Therefore, the company has charged INR 762.31 lakhs and INR 309.95 lakhs in the first quarter and second quarter respectively.
11. The consolidated figures for the quarter ended September 30th, 2024 are the balancing figures between the unaudited consolidated figure in respect of half financial year and year to date unaudited consolidated financial results for the quarter ended June 30th, 2024. The figures for the previous periods and for the year ended March 31st, 2024, have been restated and regrouped to make them comparable with those of the current year.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai

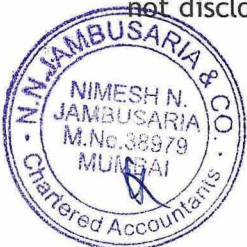


Independent Auditor's Review Report on the Quarterly and Half Yearly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Review Report To

The Board of Directors of Reliance Naval and Engineering Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Reliance Naval and Engineering Limited (the "Company") for the Quarter and half year ended September 30, 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying statement has not been prepared in all material respect in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the



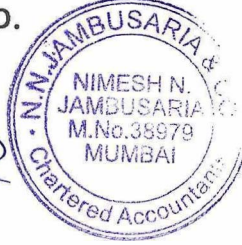
N. N. Jambusaria & Co.

Chartered Accountants

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For N. N. Jambusaria & CO.
Chartered Accountants
Firm Reg. No: 104030W

N.N. Jambusaria



Nimesh N. Jambusaria
Partner

Mem. No. 038979

UDIN: 24038979BKBNXK7524

Place: Mumbai

Date: November 11, 2024

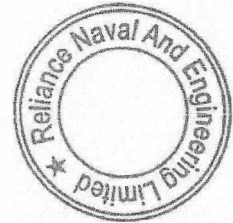
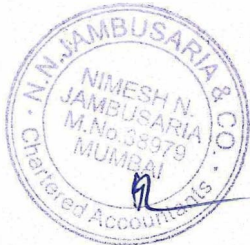
Reliance Naval and Engineering Limited

Registered Office: Pipavav Port, Post Uchhaiya, Via Rajula, Dist. Amreli, Gujarat - 365 560, India.
Website: www.mavel.co.in, E-mail: mel@swan.co.in, CIN: L35110GJ1997PLC033193

Statement of Unaudited Standalone Financial Results for the Quarter and Half Year Ended September 30, 2024

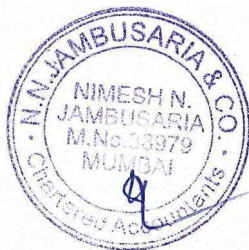
INR in Lakhs

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2	Other Income	50	197	51	247	175	246
3	Total Income (1+2)	146	197	51	343	175	246
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(a)	Cost of Materials Consumed	87	75	2	162	5	27
(b)	Cost of Raw Material Sold	-	-	-	-	-	-
(c)	Changes in Inventories of Work in Progress & Scrap	-	-	-	-	-	-
(d)	Employee Benefits Expenses	601	392	82	993	168	472
(e)	Labour/Fabrication and Subcontractor Charges	383	225	130	608	259	636
(f)	Power, Fuel and Water	167	144	115	311	230	496
(g)	Cost Estimated for Revenue Recognised	-	-	-	-	-	-
(h)	Foreign Exchange Difference (net)	-	-	-	-	-	-
(i)	Provision for Non-Moving Inventory	-	-	-	-	-	-
(j)	Other Expenses	2,266	1,991	188	4,257	456	1,266
	Total Expenses	3,504	2,827	517	6,331	1,118	2,897
5	Profit / (Loss) from Operations before Depreciation / Amortisation cost and Finance Cost (3-4)	(3,358)	(2,630)	(466)	(5,988)	(943)	(2,651)
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9	Exceptional Items	-	-	-	-	-	-
10	Profit / (Loss) before Tax (8+9)	(5,430)	(5,145)	(2,983)	(10,575)	(5,505)	(12,136)
11	Income Tax for Earlier Years	-	-	-	-	-	-
12	Deferred Tax Credit / (Reversal)	-	-	-	-	-	-
13	Profit / (Loss) After Tax (10+11+12)	(5,430)	(5,145)	(2,983)	(10,575)	(5,505)	(12,136)
14	Other Comprehensive Income						
	Items that will not be reclassified to profit and loss in the subsequent year						
(i)	Actuarial gains/(losses) on defined benefit plans	-	-	-	-	-	-
(ii)	Add:- Consolidated share in the profit/(loss) of associate	-	-	-	-	-	-
	Total Other Comprehensive Income for the period/year	-	-	-	-	-	-
15	Total Comprehensive Income for the period/year (13+14)	(5,430)	(5,145)	(2,983)	(10,575)	(5,505)	(12,136)
16	Paid-up Equity Share Capital (Face Value of INR 10 Each)	5,268.22	268.22	268.22	5,268.22	268.22	268.22
17	Other Equity	-	-	-	-	-	42,069.06
18	Earnings Per Share (EPS) (* Not Annualised)						
(a)	Basic EPS (INR)	* (10.31)	* (191.82)	* (111.21)	* (20.07)	* (205.24)	(452.46)
(b)	Diluted EPS (INR)	* (10.31)	* (191.82)	* (111.21)	* (20.07)	* (205.24)	(452.46)



STATEMENT OF STANDALONE ASSETS AND LIABILITIES

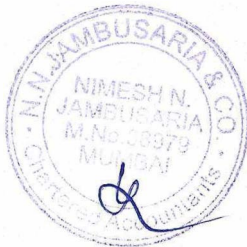
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	Unaudited	Audited
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(a) Property, Plant and Equipment	1,08,677	1,10,757
(b) Right-of-use Assets	5,442	6,000
(c) Capital Work in Progress	8,662	4,307
(d) Intangible Assets	-	-
(e) Financial Assets		
(i) Investments	153	153
(f) Deferred Tax Assets (net)		
(g) Other Non Current Assets	9,419	9,411
Total Non Current Assets (A)	1,32,353	1,30,628
(2) Current Assets		
(a) Inventories	1,40,645	1,40,540
(b) Financial Assets		
(i) Trade Receivables	-	-
(ii) Cash and Cash Equivalents	2,135	1,821
(c) Current Tax Assets (net)	11	5
(d) Other Current Assets	3,147	1,020
Total Non Current Assets (B)	1,45,938	1,43,386
TOTAL ASSETS (A+B)	2,78,291	2,74,014
II EQUITY AND LIABILITIES		
(1) (a) Equity Share Capital		
(a) Equity Share Capital	5,268	268
Share Application Money	-	5,000
(b) Other Equity	31,495	42,069
Total Equity (A)	36,763	47,337
(2) Liabilities		
2.1 Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,08,569	1,62,574
(ii) Lease Liability	6,742	7,320
(b) Provisions	72	43
Total Non Current Liabilities (B)	2,15,383	1,69,937
2.2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	19,600	50,800
(ii) Lease Liability	1,227	1,175
(iii) Trade Payables		
Total outstanding dues of micro and small enterprises	15	3
Total outstanding dues of creditors other than micro and small enterprises	4,633	3,678
(iv) Other Financial Liabilities	670	1,065
(b) Other Current Liabilities	-	19
(c) Provisions	-	-
Total Non Current Liabilities (C)	26,145	56,740
TOTAL EQUITY AND LIABILITIES (A+B+C)	2,78,291	2,74,014



Unaudited Standalone Cash Flow Statement

INR in Lakhs

Sr. No. Particulars	As at September 30, 2024	As at March 31, 2024
	Unaudited	Audited
A Cash Flow from Operating Activities		
Profit / (Loss) before Tax	(10,575)	(12,136)
Adjustments for :-		
Depreciation and Amortisation Expenses	2,988	6,846
Interest Income	(55)	(9)
Finance Costs	1,599	2,639
Operating cash flow before working capital changes	(6,043)	(2,660)
Movement in Working Capital		
(Increase) / Decrease in Inventories	(105)	(24)
(Increase) / Decrease Other non current assets	(8)	6
(Increase) / Decrease Trade and Other Receivables	(2,127)	(463)
Increase in / (Decrease) Trade and Other Payables	1,965	(3,893)
Cash Used in Operations	(6,318)	(7,034)
Income Taxes (Paid) / Refund	(6)	19
Net Cash from Operating Activities	(6,324)	(7,015)
B Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Capital Work in Progress	(4,705)	(1,022)
FD kept with bank	-	(74)
Interest Received	55	9
Net Cash flow (used in)/from Investing Activities	(4,650)	(1,087)
C Cash Flow from Financing Activities		
Finance Costs	(1,599)	(2,639)
Share capital money received	-	5,000
Upfront Payment as per plan	-	(20,000)
Interest on upfront payment	-	(685)
First tranche as per plan	(31,200)	-
Interest on first tranche	(1,908)	-
Borrowings (From Hazel Infra Ltd)	45,995	28,374
Repayment of Borrowings (Interim funding)	-	(804)
Interest paid of repayment of Borrowings (Interim funding)	-	(133)
Net Cash used in Financing Activities	11,288	9,113
Net (decrease) / increase in cash and cash equivalents (A+B+C)	314	1,011
Cash and Cash Equivalents - Opening balance	1,821	810
Cash and Cash Equivalents - Closing balance	2,135	1,821



Background of the Company

1. The financial results comprise the financial results of Reliance Naval and Engineering Limited ("RNEL" or "the Company") for the period ended September 30th, 2024. RNEL is a company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at Pipavav Port, Post Uchhaiya, Via- Rajula, District Amreli (Gujarat), and the Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is mainly engaged in the construction of vessels, repairs, and refits of ships and rigs, and heavy engineering. RNEL has a large shipbuilding/repair infrastructure in India including the largest Dry Dock in the world. The Company is the first private sector company in India to obtain the license and contract to build Naval Offshore Patrol Vessels(NOPVs) for the Indian Navy. The Shipyard has the only modular shipbuilding facility in India with the capacity to build fully fabricated and outfitted blocks. The fabrication facility spread over 2.1 million sq. ft. has an annual capacity of 144,000 tons/year. The shipyard has a pre-erection berth of 980 meters in length and 40 meters in width and one Goliath crane with a lifting capacity of 600 tonnes, besides outfitting berth length of 780 meters.

2. The Hon'ble National Company Law Tribunal, Ahmedabad (the "NCLT") , vide its order dated January 15th, 2020 ("Insolvency Commencement Date") initiated the Corporate Insolvency Resolution Process ("CIRP") of the Company under the Insolvency and Bankruptcy Code 2016 (the "IBC" / "Code"). Pursuant to the approval of the Resolution Plan, as per NCLT Order dated December 23rd, 2022 the CIRP of RNEL was concluded and a monitoring committee was constituted to oversee the implementation of the Resolution Plan, and day-to-day operations and management of RNEL until the closing date as defined under the Resolution Plan.

In line with approved resolution plan w.e.f. January 4th, 2024 the MC has ceased to exist, and the board of directors of the company is given full authority as per the Companies Act for management of affairs of the Company. The monitoring committee has appointed M/s P.C. Patni & Company as a monitoring agency to review the cash flow and the proper implementation of the resolution plan by the Company. As per the sanctioned resolution plan, an upfront payment of INR 200 Crore was to be made by SRA by March 23rd, 2023. SRA had taken approval from NCLT for an extension till November 15th, 2023 for depositing the same. The actual deposit was done on October 27th, 2023.

Further, the first tranche of deferred payment of INR 312 Crore was to be made by SRA by December 23rd, 2023. The SRA has taken approval of NCLT for an extension of one year to pay the first tranche i.e. by December 23rd, 2024, which has been paid on August 07th, 2024.

Business Revival and Continuity Plan

3. The new management of the company is revitalizing the business through a comprehensive approach that strategically targets key market segments and establishes a clear roadmap to secure a competitive edge by focusing on 5 key levers:
 - a. Liquidation of WIP vessels and inventory: The company acquired 8 work-in-progress vessels presently at the yard and has received offers for liquidation of the OSVs.
 - b. Focused business strategy and sustainable revenue generation: The company is focused on building and converting a robust commercial pipeline by global and domestic reach outs for shipbuilding, repair and offshore fabrication opportunities. The company has received their first repair order starting in August 2024 and will be operational for new build from December 2024.
 - c. Yard Readiness: The company is currently reinstating and operationalizing the 600+ acres shipyard. As of date, the shipyard is ready to dock vessels and provide general repair services and is in the process of fully restoring their fabrication facility.



d. Organization building: The company is also focusing on talent identification and recruitment to build a capable workforce.

e. Capacity augmentation: The company is also actively engaged in planning for additional capacity to integrate a maritime vendor ecosystem and meet the global demand by increasing docking and berthing space. They are in the process of building a comprehensive yard design and layout strategy.

Going Concern

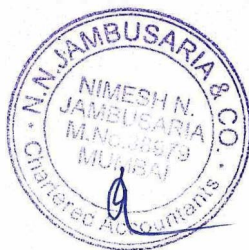
4. The new management has been granted full control of the affairs of the company with effect from January 4th, 2024, the financial statement for the period ended September 30th, 2024 have been prepared on going concern assumptions by the Board of Directors of the Company. This has been further explained in note 2.

Legal Cases

5. E-Complex Private Limited, a wholly-owned subsidiary of the Company was admitted during F.Y. 2020-21 for Corporate Insolvency Resolution Process (CIRP) with NCLT Ahmedabad. The CIRP process for E-Complex Private Limited is completed as per the NCLT order dated December 4th, 2023 which has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. The impairment created in the earlier years against this investment is still carried in the books of accounts.

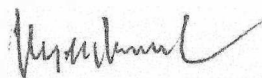
Other

6. The Company is engaged only in the business of Ship-building and Repairs. As such, there are no separate reportable segments.
7. The Company has not recognized net deferred tax assets as the Company is not certain that sufficient future taxable income will be available against which deferred tax assets can be set off, considering its present order book and anticipated orders and opportunities in the defense sector as evidence.
8. As on September 30th, 2024, the Company had given a Security Deposit (short-term and long-term) amounting to INR 9,343.02 Lakhs. Out of the above security deposit, an amount of INR 7,370 Lakhs has been given to M/S E-Complex Private Limited ("ECPL") against the land taken from them on lease as a refundable deposit. ECPL was admitted under CIRP by NCLT. The claim submitted by the Resolution Professional of the Company was not accepted by the Resolution Professional of ECPL. The CIRP process was completed as per the NCLT order dated December 04th, 2023. The said order of NCLT has been set aside by NCLAT by its order dated July 25th, 2024. The COC of ECPL has filed an appeal before the Supreme Court of India which is pending admission. As per lease agreements, the lease tenure of SEZ land is for 60 years in blocks of 20 years. The first block of 20 years is expiring in the year 2028. Till the time the Company is in possession of said land, the question of refund of security deposit doesn't arise and therefore the enduring benefit from use of the land is going to be received by the Company. The company does not foresee any probability in diminution in the value of the security deposit and hence no impairment provision is needed for the same. Further, the recoverability of the said security deposits deposited with the Court against certain legal ongoing cases are subject to the outcome of the said cases.



9. As per NCLT order dated November 21st, 2023, the payment of 1st tranche amounted INR 312 crores is payable to unrelated financial creditors on December 23rd, 2023. Payment of 1st tranche is made on August 7th, 2024. Hence, as per the order, the company charged interest at the rate of 10.50% p.a. on INR 200 Crores and at the rate of 8.55% p.a. on INR 112 crores from December 23, 2023, till the date of payment, which is August 7th, 2024. Therefore, the company has charged INR 762.31 lakhs and INR 309.95 lakhs in the first quarter and second quarter respectively.
10. The figures for the quarter ended September 30th, 2024 are the balancing figures between the unaudited figure in respect of half financial year and year to date unaudited financial results for the quarter ended June 30th, 2024. The figures for the previous periods and for the year ended March 31st, 2024, have been restated and regrouped to make them comparable with those of the current year.

For and on behalf of the Board of Directors,
Reliance Naval and Engineering Limited



Mr. Nikhil Merchant
Chairman & Managing Director
DIN: 00614790
Date: November 11th, 2024
Place: Mumbai

