ISO 9001 BUREAU VERITAS Certification

Bharati Shipyard Limited

Corporate Office : Oberoi Chambers II, 646, New Link Rd, Andheri (W), Mumbai - 400 053.

Registered Office :

302, Wakefield House, 3rd Floor, Sprott Road, Ballard Estate, Mumbai - 400 001. INDIA.
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Website : www.bharatishipyard.com

Date: 26th December, 2011

To,
The Manager
Department of Corporate Services
Bombay Stock Exchange Ltd.
Mumbai – 400 001

Sir,

Please find enclosed herewith a Press Release for the information of the Exchange and its Constituents.

You are requested to please display the same on your site and oblige.

Thanking you,

Yours faithfully,
For Bharati Shipyard Limited

P.C. Kapoor
Managing Director

Encl: As above

C.C.:
The Manager
Listing Department
National Stock Exchange Limited
Mumbai – 400 051

Bharati Shipyard board approves the CDR Scheme

- Seek to restructure term loans of Rs.2,854 Crores

Mumbai, 26.12.2011: The Board Members of Bharati Shipyard Limited met today to consider the reference made to the Corporate Debt Restructuring (CDR) cell in its case. The Board has noted and discussed the proposal for restructuring of Term/Working Capital Debt of Rs. 2,854 Crores out of a total debt of Rs. 3,250 Crores.

Currently, the company has robust order book visibility worth Rs.6,800 Crores to be executed by 2014 and is in advance stages of completion of its two greenfield shipyards at Dabhol and Mangalore. The floating dock facilities and the equipments that were bought from the famous British Shipyard, Swan Hunter are in advanced stages of commissioning. This will enhance the production capacity, which will be used to execute large orders going forward.

"Majority of our orders come from the European markets, which is currently facing challenging times. However we are in the process of delivering 5 vessels in the next 6 months. The debt restructuring will help us to optimize costs and resources in the time to come." **Stated Mr. P C Kapoor, Managing Director, Bharati Shipyard Limited.**

In view of the overall sectoral slowdown and the economic challenging scenario in the European countries and the rising cost of capital, the company will undertake various initiatives to optimize the current resources. The overall shipping industry in India is under tremendous pressures, however BSL is confident of its business model and successfully weathering the current business challenges.