

August 14, 2013

PDOC/SE/BM/2013-14-4

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Ref: Scrip ID – PIPAVAVDOC
Scrip Code – 533107

Sub: Outcome of the Board Meeting held on August 14, 2013

Dear Sir/ Madam,

Pursuant to the provisions of Clause 41 and all other applicable provisions of the Listing Agreement, please note that the Board of Directors of Pipavav Defence and Offshore Engineering Company Limited ("the Company"), at its meeting held today i.e. August 14, 2013 *inter alia*, transacted following businesses:

1. The Board approved the Unaudited Financial Results (Standalone) of the Company for the quarter ended June 30, 2013. The Unaudited Financial Results in the prescribed format together with Limited Review Report issued by M/s. Chaturvedi & Shah, Chartered Accountants, Statutory Auditors are enclosed herewith. Highlights of the unaudited financial results are as follows:

(Rs. in lacs)

Particulars	Quarter ended	
	30.06.2013	30.06.2012
Total Income including other income	71,068.45	58,147.20
EBITDA	15,904.92	13,051.50
Profit before Tax	1,161.15	275.77

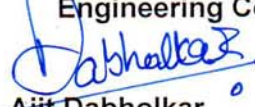
2. Appointment of Mr. Lars Olov Ricard Lindgren as an Alternate Director to Mr. Nils Peter Sandehed, a Director nominated by the strategic investor namely SAAB AB, Sweden, w.e.f. August 14, 2013.

You are requested to take note of the above.

Thanking you.

Yours truly

For Pipavav Defence and Offshore Engineering Company Limited


Ajit Dabholkar
Corporate Counsel & Company Secretary



Encl: As above

Pipavav Defence and Offshore Engineering Company Limited

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

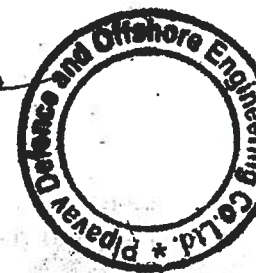
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2013

		Rs in Lacs except share data			
Sr. No.	Particulars	3 months ended 30.06.2013	3 months ended 31.03.2013	Corresponding 3 months ended 30.06.2012	Year ended 31.03.2013
		Unaudited	Unaudited	Unaudited	Audited
PART - 1					
1	Income from operations				
(a)	Net Income from Operations	69,928.85	72,445.60	57,239.53	250,902.02
(b)	Other Operating Income	346.38	260.00	2.16	7,744.79
	Total Income from operations (net)	70,275.23	72,705.60	57,241.69	258,646.81
2	Expenses				
(a)	Cost of Materials Consumed	8,667.05	2,744.33	9,713.05	28,016.07
(b)	Purchase of Stock - in - trade	24,478.61	40,176.52	23,338.53	106,939.89
(c)	Changes in Inventories of scrap and stock-in-trade	(6,983.55)	18.83	301.89	251.20
(d)	Employees benefits expense	1,494.94	1,588.77	1,147.68	5,309.49
(e)	Depreciation and amortisation expense	3,950.47	3,104.51	3,004.78	12,269.77
(f)	Cost Estimated for Revenue Recognised	11,154.56	3,539.54	(311.05)	16,913.89
(g)	Other Expenditure	16,351.92	11,570.97	10,905.60	47,719.20
	Total Expenses	59,114.00	62,743.47	48,100.48	217,419.51
3	Profit from operations before Other Income, Finance Costs & Exceptional Items (1-2)	11,161.23	9,962.13	9,141.21	41,227.30
4	Other Income	793.22	658.55	905.51	2,656.18
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	11,954.45	10,620.68	10,046.72	43,883.48
6	Finance Costs	10,793.30	9,496.26	9,770.95	39,745.96
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	1,161.15	1,124.42	275.77	4,137.52
8	Exceptional Items	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	1,161.15	1,124.42	275.77	4,137.52
10	Tax Expense (Including Deferred Tax)	432.95	299.97	73.80	1,265.42
11	Net Profit from Ordinary Activities after Tax (9-10)	728.20	824.45	201.97	2,872.10
12	Extraordinary Items (Net of Tax Expense)	-	-	-	-
13	Net Profit for the Period (11-12)	728.20	824.45	201.97	2,872.10
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	73,620.63	70,119.84	69,119.84	70,119.84
15	Reserves excluding Revaluation Reserves as per audited Balance Sheet of previous year				134,445.83
16	Earnings Per Share (EPS) (Not Annualised)				
(a)	Basic EPS (Rs.)	0.10	0.12	0.03	0.41
(b)	Diluted EPS (Rs.)	0.10	0.12	0.03	0.41

PART - 2

A - PARTICULARS OF SHAREHOLDING					
1	Public Shareholding				
-	Number of Shares	408,742,046	381,227,917	391,622,208	381,227,917
-	Percentage of Shareholding	55.52%	54.37%	56.66%	54.37%
2	Promoters & Promoter Group Shareholding				
a)	Pledged / Encumbered				
-	Number of Shares	319,359,222	310,322,481	291,471,179	310,322,481
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	97.52%	96.98%	97.29%	96.98%
-	Percentage of shares (as a % of the total share capital of the Company)	43.38%	44.25%	42.17%	44.25%
b)	Non-Encumbered				
-	Number of Shares	8,105,001	9,647,990	8,105,001	9,647,990
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	2.48%	3.02%	2.71%	3.02%
-	Percentage of shares (as a % of the total share capital of the Company)	1.10%	1.38%	1.17%	1.38%

Sr No.	Particulars	3 months ended 30.06.2013
B - INVESTOR COMPLAINTS		
01	Pending at the beginning of the quarter	-
02	Received during the quarter	3
03	Disposed off during the quarter	3
04	Remaining unresolved at the end of the quarter	-



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

Rs in Lacs

Particulars	Standalone			
	3 months ended 30.06.2013	3 months ended 31.03.2013	Corresponding 3 months ended 30.06.2012	Year ended 31.03.2013
	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue				
a) Ship-building & Fabrication	52,760.22	32,141.28	33,651.32	150,624.48
b) Trading	17,515.01	40,564.32	23,590.37	108,022.33
Total	70,275.23	72,705.60	57,241.69	258,646.81
Less : Inter-segment Revenue	-	-	-	-
Net Income from Operations	70,275.23	72,705.60	57,241.69	258,646.81
2. Segment Results (Profit before tax & interest from each segment)				
a) Ship-building & Fabrication	15,165.36	11,196.83	14,700.18	48,318.40
b) Trading	187.27	575.78	251.84	1,082.44
Total	15,352.63	11,772.61	14,952.02	49,400.84
Less : i) Finance Costs	10,793.30	9,496.26	9,770.95	39,745.96
ii) Other unallocable expenditure net off unallocated income	3,398.18	1,151.93	4,905.30	5,517.36
Total Profit Before Tax	1,161.15	1,124.42	275.77	4,137.52
3. Capital Employed (Segment Assets - Segment Liabilities)				
a) Ship-building & Fabrication	662,279.41	633,964.77	531,767.07	633,964.77
b) Trading	19,131.22	16,288.91	15,242.46	16,288.91
c) Unallocated	(447,830.29)	(443,640.51)	(343,066.49)	(443,640.51)
Total	233,580.34	206,613.17	203,943.04	206,613.17

Segments have been identified based on the organisational structure, internal management reporting system, nature of production process and infrastructure facilities used. Accordingly the company has identified two segments within the meaning of AS-17 on Segment Reporting:

- Ship building and Fabrication includes shipbuilding, block manufacturing, ship and rig repairs, fabrication etc. at its SEZ and EOU units situated at Pipavav, Gujarat.
- Trading includes steel trading activities.

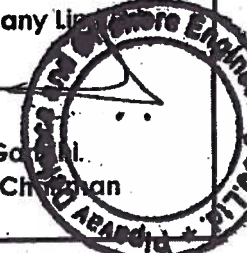
Notes :

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on August 14, 2013, and approved for release.
- The Statutory Auditors of the Company have carried out a Limited Review of the above Financial Results in accordance with the Clause 41 of the Listing Agreement.
- As per the Guidelines for the Shipbuilding Subsidy issued by the Government of India on March 25, 2009, the Company is eligible for subsidy at the rate of 30% of the contract price, in respect of the export order received for vessels for which the contracts with the customers were signed on or before August 14, 2007. Accordingly, Government Subsidy of Rs. 2,517.32 Lacs for the period ended June 30, 2013 has been recognised as revenue in respect of Ships including those under construction as at June 30, 2013 on proportionate completion basis.
- The Company has order for building several panamax sister vessels. It had commenced arbitration proceedings in respect of four panamax vessels ('Vessel(s)') & subsequently, the customers served cancellation notices for these Vessels. Out of the above the Company has already delivered one Vessel against order for another Vessel and can deliver remaining three Vessels against other orders. In view of the above, the Company continues to recognise the revenue on these three Vessels and accordingly during the quarter revenue of Rs. 1,826.91 Lacs and subsidy of Rs. 548.07 Lacs has been recognised.
- The Company's Phase II expansion plan is progressing well.
- In respect of vessels other than commercial vessels, including offshore support vessels, the Company accounts the contract revenue and expenses based on the proportionate completion of contract as certified by technical experts. With an aim to allocate the profit on the said contract to whole of the contract period a provision for proportionate cost to be incurred has been made and charged to profit and loss account as "cost estimated for revenue recognised".
- During the quarter the Company has issued 35,007,881 equity shares on preferential basis / on conversion of warrants which resulted in increase in Share Capital and Securities Premium by Rs. 3,500.79 Lacs and 24,785.67 Lacs respectively and the same have been fully utilised for the purpose for which these were raised.
- The above results are prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) -25 - "Interim Financial Reporting" as those followed in previous years. The figures in respect of the results for the preceeding quarter ended March 31, 2013 are the balancing figures between the audited figures for the full financial year ended March 31, 2013 and the published year to date figures upto the third quarter ended December 31, 2012, in the financial year ended March 31, 2013. Previous quarter / year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary, to make them comparable with the current period.

For Pipavav Defence and Offshore
Engineering Company Limited

Bhavesh P. Gadhani
Executive Vice Chairman

Place :- Pipavav
Date :- August 14, 2013

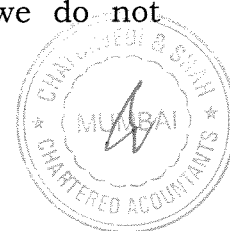


REVIEW REPORT

The Board of Directors

Pipavav Defence and Offshore Engineering Company Limited

1. We have reviewed the accompanying statement of Unaudited financial results of **Pipavav Defence and Offshore Engineering Company Limited** for the Quarter ended 30th June, 2013 ("the statement") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' and details of Investor Complaints which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review of the 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 financial statements are free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

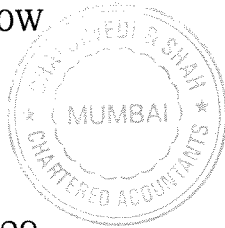


3. Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of Unaudited financial results prepared in accordance with Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. 101720W



R. Koria
Partner
Membership No. 35629



Place: Mumbai
Dated: 14.08.2013