

PIPAVAV SHIPYARD LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30TH 2010

Rs in Lacs Except share data

Sr No	Particulars	Standalone Quarter Ended		Standalone Half Year Ended		Standalone Year Ended 31st March
		September 2010	September 2009	September 2010	September 2009	2010
		Unaudited	Unaudited/Unreviewed	Unaudited	Unaudited/Unreviewed	Audited
1	Income					
(a)	Net Sales / Income from Operation	17,566.19	8,363.31	35,168.45	22,480.58	62,938.26
(b)	Other Operating Income	-	-	-	-	-
	Total Income	17,566.19	8,363.31	35,168.45	22,480.58	62,938.26
2	Expenditure					
(a)	(Increase) / Decrease in value of Stock	192.01	(559.26)	(458.20)	11,722.30	11,294.30
(b)	Consumption of Raw Materials and Components	1,499.67	622.83	8,417.96	1,790.67	16,931.91
(c)	Purchase of Traded Goods	7,842.16	7,049.79	9,484.25	7,049.79	9,477.15
(d)	Employee Cost	714.30	395.80	1,342.99	925.08	2,162.85
(e)	Cost estimated for Revenue Recognised	1,594.62	-	5,806.27	-	11,400.78
(f)	Depreciation	1,215.28	845.44	2,392.08	1,598.58	3,654.73
(g)	Other Expenses	4,051.50	1,812.89	7,512.80	2,588.54	12,333.50
	Total	17,109.54	10,167.49	34,498.15	25,674.96	67,255.22
3	Profit / (Loss) before Interest & Tax (1 - 2)	456.65	(1,804.18)	670.30	(3,194.38)	(4,316.96)
4	Other Income	1,972.99	253.10	3,073.29	3,720.51	6,750.66
5	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	2,429.64	(1,551.08)	3,743.59	526.13	2,433.70
6	Interest and Financial Charges	2,649.42	1,396.09	4,942.31	3,057.78	7,299.92
7	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	(219.78)	(2,947.17)	(1,198.72)	(2,531.65)	(4,866.22)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 + 8)	(219.78)	(2,947.17)	(1,198.72)	(2,531.65)	(4,866.22)
10	Tax Expense (Current, Deferred & Prior period)	-	(249.51)	-	-	15.83
11	Net Profit / (Loss) from Ordinary Activities after Tax (9 - 10)	(219.78)	(2,697.66)	(1,198.72)	(2,531.65)	(4,882.05)
12	Extraordinary items (Net of Tax Expenses)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(219.78)	(2,697.66)	(1,198.72)	(2,531.65)	(4,882.05)
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	66,579.84	58,034.82	66,579.84	58,034.82	66,579.84
15	Reserves excluding Revaluation Reserves as per audited Balance Sheet of previous accounting year	-	-	-	-	103,650.01
16	Earnings Per Share (EPS) (Rs.) (Not annualised)					
(a)	Basic and Diluted EPS before Extra Ordinary Items	(0.03)	(0.46)	(0.18)	(0.43)	(0.82)
(b)	Basic and Diluted EPS after Extra Ordinary Items	(0.03)	(0.46)	(0.18)	(0.43)	(0.82)
17	Aggregate of Public Share Holding					
-	No. of Shares	367,427,208	316,986,630	367,427,208	316,986,630	402,436,855
-	% of Shareholding	55.19%	54.62%	55.19%	54.62%	60.44%
18	Promoter & Promoter Group Shareholding					
a) Pledged / Encumbered						
-	Number of Shares	298,371,179	NIL	298,371,179	NIL	133,999,994
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	NIL	100%	NIL	50.88%
-	Percentage of shares (as a % of the total share capital of the company)	44.81%	NIL	44.81%	NIL	20.13%
b) Non-Encumbered						
-	Number of Shares	1	263,361,533	1	263,361,533	129,361,539
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	100.00%	0.00%	100.00%	49.12%
-	Percentage of shares (as a % of the total share capital of the company)	0.00%	45.38%	0.00%	45.38%	19.43%

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 November 12, 2010 and approved for release.
- The Company's activities during the period predominantly revolved around the Shipbuilding activity. Considering the nature of the Company's business and operations, there is only one reportable segment (business and /or geographical) in accordance with the requirements of Accounting Standard 17 - "Segment Reporting" notified in the Companies (Accounting Standards) Rules 2006.
- As per the Revised Guidelines for the Shipbuilding Subsidy issued by the Government of India on 25th March 2009, the Company is eligible for subsidy at the rate of 30% of the contract price, suitably adjusted for any unintended benefits availed by the SEZ Unit in respect of the export order received for vessels for which the contracts with the customers were signed on or before 14th August 2007. Accordingly, Government Subsidy of Rs. 1,589.71 Lacs for the quarter ended and Rs. 3,826.41 Lacs for the half year ended on 30th September 2010 has been recognised as revenue in respect of Ships under construction on proportionate completion basis. This includes Rs. 495.73 lacs and Rs. 1,068.67 lacs, being the indirect tax benefits availed by the SEZ Unit for the quarter and half year ended September 2010 respectively. The company is of the view that the above tax benefits would in any case be available for export of ships irrespective of whether the ships are built in SEZ or otherwise and do not include any unintended benefits and hence need not be netted against the subsidy so recognised.
- Work on certain pending equipments/facilities which were delayed due to various reasons have substantially being completed and the Goliath cranes are in the process of trial commissioning.
- As approved by the Shareholders in Extra-Ordinary General Meeting held on September 07, 2010, the Company has allotted 2,52,21,612 Convertible Share Warrants @ Rs. 99.10/- each, to SKIL Infrastructure Limited, the Promoters of the Company. Each warrant is convertible into one fully paid up Equity Share of Rs. 10/- each at anytime prior to 18 months from the date of allotment.
- In respect of Offshore Vessels (OSVs), the Company has accounted for contract revenue and expenses based on the proportion of completion of contracts certified by technical experts. "Cost estimated for Revenue Recognised" amounting Rs.1,594.62 Lacs and Rs.5,806.27 Lacs for the quarter and half year ended September 2010 respectively (for the year ended 31st March 2010 Rs.11,400.78 lacs) represents the provision for proportionate cost to be incurred with an aim to allocate the profit on the said contract to whole of the contract.
- STATEMENT OF ASSETS AND LIABILITIES IS AS UNDER:-

Rs in Lacs

Particulars	STANDALONE	
	As at 30.09.2010	As at 30.09.2009
	(Unaudited)	Unaudited/ Unreviewed
SHAREHOLDERS' FUNDS:		
(a) Capital	66,579.84	58,034.82
(b) Reserves and Surplus	102,485.05	67,448.02
SHARE APPLICATION MONEY	-	143,252.77
CONVERTIBLE SHARE WARRANTS	6,254.96	-
LOAN FUNDS	153,623.96	131,375.55
DEFERRED TAX LIABILITY	-	-
TOTAL (LIABILITIES)	328,943.81	400,111.16
FIXED ASSETS (Including Capital Work in Progress)	256,167.93	233,696.01
INVESTMENTS	10,405.84	2,653.08
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories	19,348.03	27,134.43
(b) Sundry Debtors	9,633.76	5,917.82
(c) Cash and Bank Balances	60,551.34	193,175.43
(d) Other current Assets	37,555.35	-
(e) Loans and Advances	33,669.52	31,490.81
Less: Current Liabilities and Provisions		
(a) Liabilities	(83,835.16)	(95,589.70)
(b) Provisions	(20,805.27)	(1,161.00)
MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	-	286.66
PROFIT AND LOSS ACCOUNT	6,252.47	2,507.60
TOTAL (ASSETS)	328,943.81	400,111.16

- The above results are prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS)- 25 - "Interim Financial Reporting".
- The Statutory Auditors of the company have carried out a Limited review of the above results in terms of clause 41 of the Listing Agreement.
- There were no complaints pending from investors at the beginning of the quarter, 8 complaints received were resolved during the quarter ended 30th September 2010 and no complaints were outstanding as on 30th September 2010.
- Previous period /year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary to make them comparable with those of the current period.

Place : Mumbai
Dated : 12.11.2010



Pipavav Shipyard Limited
(Bhavesh P. Gadhvi)
Executive Vice Chairman
DIN - 00030623