



Reliance Defence and Engineering Limited
(Formerly Pipavav Defence and Offshore Engineering Company Limited)
Reliance Centre, Off Western Express Highway,
Santacruz (East) Mumbai 400 055
Tel: +91 22 3303 1000, Fax: +91 22 3303 3662
www.reliancedefence.co
CIN: L35110GJ1997PLC033193

May 14, 2016

The General Manager
Corporate Relationship Department
BSE Limited,
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001
Fax Nos. 2272
2037/39/41/61/3719/3121

BSE Scrip Code: 533107

The Manager
National Stock Exchange of India
Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
Fax Nos. 6598237/38/8347/8348/
66418124/25/26
NSE Symbol: RDEL

Dear Sir(s),

Sub: Statement of Audited Standalone Financial Results for the quarter and financial year ended March 31, 2016

Further to our earlier letter dated May 14, 2016, we enclose herewith Audited Financial Results (Standalone) alongwith the Auditors' report and Form A for the quarter and financial year ended March 31, 2016.

We request you to inform your members accordingly.

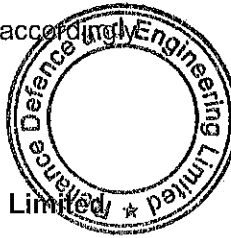
Thanking you.

Yours faithfully,

For **Reliance Defence and Engineering Limited**

Ajit Dabholkar

Corporate Counsel & Company Secretary



Encl: as above

Reliance Defence and Engineering Limited
(Formerly known as Pipavav Defence and Offshore Engineering Company Limited)
CIN: L35110GJ1997PLC033193

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

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

		Rs in Lakh				
Sr. No.	Particulars	3 months ended 31/03/2016	Preceding 3 months ended 31/12/2015	Corresponding 3 months ended in previous year 31/03/2015	Year ended 31/03/2016	Year ended 31/03/2015
		Refer note no 6	Unaudited	Refer note no 6	Audited	Refer note no 6
1	Income from operations					
(a)	Net Income from Operations	9,342	4,989	4,936	30,126	82,403
(b)	Other Operating Income	131	65	100	500	698
	Total Income from operations (net)	9,473	5,054	5,036	30,626	83,101
2	Expenses					
(a)	Cost of Materials Consumed	4,496	1,680	2,026	8,999	7,978
(b)	Purchase of Stock - in - trade	-	-	-	-	13,246
(c)	Changes in Inventories of scrap and work in progress	-1,001	-172	-773	-3,401	-890
(d)	Employees benefits expense	1,073	1,469	1,761	5,723	6,150
(e)	Depreciation and amortisation expense	5,329	5,391	5,099	21,426	19,745
(f)	Cost Estimated for Revenue Recognised (Refer Note No. 02)	2,195	11,800	-1,709	13,113	6,031
(g)	Other Expenditure	3,959	2,980	19,001	21,914	43,496
	Total Expenses	16,051	23,148	25,405	67,774	95,756
3	Profit / (Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	(6,578)	(18,094)	(20,369)	(37,148)	(12,655)
4	Other Income	2,058	446	579	3,969	3,107
5	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3+4)	(4,520)	(17,648)	(19,790)	(33,179)	(9,548)
6	Finance Costs	12,450	11,711	13,850	47,179	45,269
7	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(16,970)	(29,359)	(33,640)	(80,358)	(54,817)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7+8)	(16,970)	(29,359)	(33,640)	(80,358)	(54,817)
10	Tax Expense - Deferred Tax Credit	(27,214)	-	(17,812)	(27,493)	(20,703)
11	Net Profit / (Loss) from Ordinary Activities after Tax (9-10)	10,244	(29,359)	(15,828)	(52,865)	(34,114)
12	Extraordinary items (Net of Tax Expense)	-	-	-	-	-
13	Net Profit / (Loss) for the Period/Year (11-12)	10,244	(29,359)	(15,828)	(52,865)	(34,114)
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	73,621	73,621	73,621	73,621	73,621
15	Other equity (Reserves and Surplus)				95,840	148,568
16	Earnings Per Share (EPS) before and after extraordinary items (* Not Annualised)					
(a)	Basic EPS (Rs.)	* 1.39	* (3.99)	* (2.15)	(7.18)	(4.63)
(b)	Diluted EPS (Rs.)	* 1.39	* (3.99)	* (2.15)	(7.18)	(4.63)

STATEMENT OF ASSETS AND LIABILITIES

Particulars	Rs in Lakh	
	As at 31.03.2016 Audited	As at 31.03.2015 Refer note no 6
I ASSETS		
1) Non - Current Assets		
a) Property, Plant and Equipment (including Capital Work in Progress)	892,872	861,555
b) Intangible Assets (including Assets under development)	8,428	6,239
c) Non-Current Investments	2,087	2,087
d) Other Non Current assets	37,864	36,740
Sub-total - Non - Current Assets	941,251	926,621
2) Current Assets		
a) Inventories	61,048	30,710
b) Financial Assets	23,476	32,088
c) Other Current Assets	50,245	52,635
Sub-total - Current Assets	134,769	115,433
TOTAL - ASSETS	1,076,020	1,042,054
II EQUITY AND LIABILITIES		
1) Equity		
a) Equity Share Capital	73,621	73,621
b) Other Equity	95,840	148,568
Sub-total - Equity	169,461	222,189
2) Non - Current Liabilities		
a) Long - Term Borrowings	566,880	510,173
b) Deferred Tax Liabilities (Net)	5,052	32,484
c) Other Non-Current Liabilities	5,624	5,624
d) Non Current Provisions	299	405
Sub-total - Non - Current Liabilities	577,855	548,686
3) Current Liabilities		
a) Short Term Borrowings	164,105	112,937
b) Trade Payables	27,045	30,153
c) Other Current Liabilities	67,419	66,776
d) Current Provisions	70,135	61,313
Sub-total - Current Liabilities	328,704	271,179
TOTAL - EQUITY AND LIABILITIES	1,076,020	1,042,054



Report of Segment wise Revenue, Results and Capital Employed, under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Sr No	Particulars	Rs in Lakh			
		3 months ended 31/03/2016	Preceding 3 months ended 31/12/2015	Corresponding 3 months ended in previous year 31/03/2015	Year ended 31/03/2016
		Refer note no 6	Unaudited	Refer note no 6	Audited
1.	Segment Revenue				Refer note no 6
	a) Ship-building & Fabrication	9,473	5,064	5,036	30,626
	b) Trading	-	-	-	-
	Total	9,473	5,064	5,036	30,626
	Less : Inter-segment Revenue	-	-	-	-
	Net Income from Operations	9,473	5,054	5,036	30,626
2.	Segment Results				
	(Profit/(loss) before tax & interest from each segment)				
	a) Ship-building & Fabrication	(5,815)	(16,327)	(14,103)	(27,831)
	b) Trading	-	-	-	-
	Total	(5,815)	(16,327)	(14,103)	(27,831)
	Less : i) Finance Costs	12,450	11,711	13,850	47,179
	ii) Other unallocable expenditure net off unallocated income	(1,295)	1,321	5,687	5,348
	Total Loss Before Tax	(16,970)	(29,359)	(33,640)	(80,358)
3.	Capital Employed				
	(Segment Assets - Segment Liabilities)				
	a) Ship-building & Fabrication	915,851	896,809	848,767	915,851
	b) Trading	-	-	3,405	-
	c) Unallocated	(746,390)	(705,499)	(629,983)	(746,390)
	Total	169,461	191,310	222,189	169,461

Notes :

- 01 During the quarter, consequent to substantial acquisition of Shares and Takeover of the Company in terms of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, Reliance Defence Systems Private Limited ("Acquirer") and Reliance Infrastructure Limited ("PAC") have become the Promoters of the Company in place of the Founder Promoters. Further, name of the Company was changed from Pipavav Defence and Offshore Engineering Company Limited to Reliance Defence and Engineering Limited
- 02 In respect of vessels other than the commercial vessels, including offshore support vessels, the Company accounts contract revenue and expenses based on the proportionate completion of contract method as certified by the technical experts. In order to evenly allocate the profit on the said contract to whole of the contract period, provision for proportionate cost to be incurred has been made and charged to statement of profit and loss as "Cost Estimated for Revenue Recognised", which will be adjusted to the statement of profit and loss as and when actual cost is incurred.
- 03 The Company has voluntarily, early adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2015. In line with the Ind AS, the Company has elected to measure its Plant and Equipments at its fair value, considering it as deemed cost and effected adjustment in the value of certain other assets/liabilities as on April 1, 2014, being the transition date. This has resulted into increase in carrying value of property, plant and equipment by Rs. 1,87,567 lacs, reduction in carrying value of other non-current assets, trade receivables and other current assets by Rs. 2,744 lacs, Rs. 66,728 lacs and Rs. 47,280 lacs respectively, increase in deferred tax liability by Rs. 43,836 lacs and other provisions by Rs. 3,941 lacs, leaving net effect of Rs. 23,038 lacs to Other Equity. Consequently, statement of profit and loss for the year ended on March 31, 2015 has been restated due to increase in depreciation by Rs. 6,810 lacs on account of fair valuation, loss arising from foreign exchange variation by Rs. 2,408 lacs, adjustment of prior period expenses by Rs. 98 Lacs and reversal of deferred tax liabilities by Rs. 11,631 lacs, resulting in net decrease in reported loss by Rs. 2,711 lacs. The Company has presented its financial statements in line with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and disclosed additional information as above in line with paragraph 32 of Ind AS "First Time Adoption of Indian Accounting Standards". Further in view of adoption of Ind AS, the financial statements for the year ended March 31, 2016 has been presented as per Schedule III as notified vide notification no. G S R 404(E) dated April 6, 2016, accordingly the statement of assets and liabilities in the above results has also been presented in the same format.
- 04 The Company is operating with "Ship-building and Fabrication", "Trading" and "Others/ Unallocated" segments. Accordingly, segment-wise information has been given. This is in line with the requirement of Ind AS 108 - "Operating Segments".
- 05 After review by the Audit Committee, the Board of Directors of the Company has approved the above results at their meeting held on May 14, 2016.
- 06 The figures for the quarter ended March 31, 2016 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year. The figures for the previous periods and for the year ended March 31, 2015 have been, as stated in Note 3 above, restated, regrouped and reclassified, wherever required to comply with Ind AS; Schedule III to the Companies Act 2013 and to make them comparable.

Place :- Mumbai
Date :- May 14, 2016.



[Signature]
Vice Admiral (Retd) H. S. Malhi
(Whole Time Director & Chief Executive Officer)
DIN - 02388929



INDEPENDENT AUDITOR'S REPORT

**TO THE BOARD OF DIRECTORS OF
RELIANCE DEFENCE AND ENGINEERING LIMITED**
(FORMERLY KNOWN AS PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED)

1. We have audited the accompanying Statement of Standalone Financial Results of RELIANCE DEFENCE AND ENGINEERING LIMITED (FORMERLY KNOWN AS PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED) ("the Company") for the year ended 31st March 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related Standalone Audited Financial Statements which are in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. We draw your attention to
 - (i) the managerial remuneration paid/provided to one of the executive directors which is in excess of the limits prescribed in the Companies Act, 2013. The company has applied to Central Government for necessary approval which is awaited.
 - (ii) the note no. 3 of accompanying Statement of Standalone Financial Results regarding voluntary early adoption of Ind AS by the company and its consequential impacts on the Other Equity



(Reserve & Surplus) as well as restatement/ rework of corresponding figures of the previous periods and year and the Statement of Assets & Liabilities is given as per the Schedule III of the Companies Act 2013 wide Notification No. G.S.R. 404 (E) 6th April 2016 by Ministry of Corporate Affairs in respect of company which have adopted Ind AS.

Our opinion is not modified in respect of these matters.

2. In our opinion and to the best of our information and according to the explanations given to us, the statement:

(i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and other financial information of the Company for the year ended 31st March 2016.

3. The Statement includes the results for the Quarter ended 31st March 2016 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us and the figures for the "Corresponding 3 months ended in previous year 31/03/2015" and "Year ended 31/03/2015" are as restated and certified by the management to be in compliant with Ind AS based on the audited results and financial statements audited by other auditor.



For **Pathak H.D. & Associates**
Chartered Accountants
Firm Reg. No. 107783W

R. D. Shah

Rupesh Shah
Partner
Membership No. 117964

Place: Mumbai
Dated: 14th May, 2016

FORM A

(For Audited Report on Standalone Financial Statements with unmodified opinion)

(Pursuant to Regulation 33 of SEBI (Listing obligation and disclosure requirements) Regulations, 2015)

1	Name of the Company	Reliance Defence and Engineering Limited (the 'Company')
2	Annual financial statement for the year ended	March 31, 2016
3	Type of Audit observation	Standalone Financial Statements – Unmodified Emphasis of Matters Following emphasis of matters have been given in the independent Auditor's Report on the Standalone Financial Statements for the year ended 31st March, 2016 "We draw attention to the: a. note no. 29.1 regarding managerial remuneration paid / payable to Executive Director, which is subject to the approval of the Central Government. b. note no. 48 regarding voluntary early adoption of 'Ind AS' by the company and its consequential impacts on the Other Equity (Reserve & Surplus) as well as restatement/ rework of corresponding figures of the previous year and presentations of financial statements as per Schedule III of the Companies Act 2013 as notified vide notification No. G.S.R. 404 (E) dated 6th April, 2016 by the Ministry of Corporate Affairs. Our opinion is not modified in respect of these matters."
4	Frequency of observation	i) The matter (a) above is appearing since financial year ended 31st March, 2014 ii) The matter (b) above is reported first time in the financial year ended 31st March, 2016

For Pathak HD & Associates
Chartered Accountants
Firm's Reg. No: 107783W

R. Shah

Rupesh Shah
Partner
Membership No.: 117964

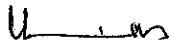


For Reliance Defence and Engineering Limited

Ajai Vikram Singh
Ajai Vikram Singh
Chairman – Audit Committee



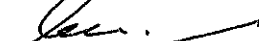
For Reliance Defence and Engineering Limited



K. Sridhar
Chief Financial Officer



For Reliance Defence and Engineering Limited



H. S. Malhi
Whole Time Director

Mumbai,
May 14, 2016

Mumbai,
May 14, 2016