

ABG

The General Manager
Department of Corporate Services
The Bombay Stock Exchange Ltd
Mumbai Samachar Marg
Mumbai-400 001.
Fax: 2272 2037/39/41/61

National Stock Exchange of India Ltd.
Exchange Plaza, Plot C-1, G Block
Bandra-Kurla Complex, Bandra E)
Mumbai – 400 051
Fax – 26598237/38

Scrip Code : 532682

Symbol: ABGSHIP- Series EQ

Dear Sir,

Sub: Outcome of Board Meeting held on 13th November, 2013

With reference to the subject matter, we would like to inform you that the Board of Directors of the Company at their meeting has approved the un-audited financial results for the quarter and half year ended 30th September, 2013.

A copy of the results for the period ended 30th September, 2013 along with Limited Review Report of the Auditors on the same are enclosed herewith for your reference.

The board inter alia, has also taken note of the following:

1. Resignation of Mr. Shahzaad Dalal as Director from the Board w.e.f. 30th September 2013.
2. Appointment of Mr. S. Muthuswamy as Executive Director of the Company w.e.f. 13th November 2013.
3. Company's decision to refer to the Corporate Debt Restructuring (CDR) Cell to restructure its debt.

ABG Shipyard Limited is one of the Largest Private Shipyard in the country and has developed expertise in building vessels of various types. The Company has one of the largest order book for Offshore Support Vessel (OSV) segment.

However, of late, due to some unforeseen circumstances, the liquidity of the Company has strained due to the following reasons:-

- i. The global crisis has impacted the Shipping Industry severally due to fall in commodity demand & prices and subsequent fall in cargo demand and fall in freight rates, which has adversely impacted the Shipbuilding Industry including ABG Shipyard Limited.
- ii. Further, due to global economic downturn, the finances available to ship owners have also dried up. Due to global liquidity crunch and impact on shipping industry, banks have reduced financing to the ship building business.
- iii. The above has resulted in piling up of inventory and WIP, which has further resulted in paucity of working capital and caused significant increase in the operating cycle, thereby aggravating the liquidity problem & financial problem.

ABG Shipyard Ltd.

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E-mail: shipyard@abgindia.com

Regd. Office:- Near Magdalla Port, Dumas Road, Surat - 395 007. Tel.: 91-0261-2725191



ABG

iv. In the last couple of years the liquidity of the Company was also strained due to delay in completion and stabilization of the Ship lift facility at Dahej. As a result, Dahej Shipyard, which was built primarily for meeting the demand for Rigs and large size bulkers, has very low capacity utilization.

Due to a combination of all the factors mentioned above, the financial position of the company has weakened and the company has been facing problems in servicing the debt in a timely manner.

Therefore, The Company has decided to make reference to the Corporate Debt Restructuring (CDR) cell in order to restructure its payments obligation to match with its business potential.

The Company's key banks have been supportive of the restructuring.

The Board of Director of the Company has taken note of the same.

You are requested to kindly take a note of the above and oblige.

Thanking you,

Yours faithfully
For ABG Shipyard Limited


AUTHORISED SIGNATORY

Encl: Un-audited financial results along with Limited Review Report

ABG SHIPYARD LIMITED
Registered Office: Near Magdalla Port, Off: Dumas Road, Surat-395 007

UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2013

Particulars	Quarter Ended			Half Year Ended		(Rs. in crores)
	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	Year Ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Net Sales / Income from Operations	373.60	422.22	543.63	795.82	1,183.76	2,043.52
Other Operating Income	0.69	7.05	28.84	7.74	29.35	56.13
Total Income from operations	374.29	429.27	572.47	803.56	1,213.11	2,099.65
Expenses:						
a. Cost of Material consumed	450.94	127.91	180.50	578.85	562.83	1,103.68
b. Purchase of Stock in Trade	-	-	1.01	-	7.98	10.28
c. Change in inventories of finished goods, Work in progress and stock in trade	(341.94)	44.92	104.53	(297.02)	78.50	(118.98)
d. Employees benefit expenses	15.53	20.67	20.99	36.20	44.30	85.90
e. Depreciation and amortisation expenses	19.19	24.59	25.35	43.78	50.25	103.71
f. Other Expenses	98.40	82.68	103.08	181.08	190.88	389.74
Total Expenses	242.13	300.77	435.46	542.89	934.74	1,574.33
Profit from operation before other income, finance cost and exceptional items	132.17	128.50	137.01	260.67	278.37	525.32
Other Income	1.04	0.87	14.68	1.90	20.75	49.68
Profit from ordinary activities before finance cost & exceptional items	133.20	129.37	151.69	262.57	299.12	575.00
Finance cost	131.27	123.03	103.17	254.30	189.45	401.30
Profit from ordinary activities after finance cost but before exceptional items	1.93	6.34	48.52	8.27	109.67	173.70
Exceptional Items	-	-	-	-	-	-
Profit from ordinary activities before tax	1.93	6.34	48.52	8.27	109.67	173.70
Tax Expense	0.63	2.09	15.74	2.72	35.58	66.57
Net Profit from Ordinary activities after tax	1.30	4.25	32.78	5.55	74.09	107.13
Extraordinary items (Net of Tax Expense)	-	-	-	-	-	-
Net Profit for the period	1.30	4.25	32.78	5.55	74.09	107.13
Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	50.92	50.92	50.92	50.92	50.92	50.92
Reserves and Surplus (excluding Revaluation Reserve)	-	-	-	-	-	1,477.24
Basic and Diluted EPS before extraordinary items (In Rupees) (Not Annualised)	0.26	0.83	6.44	1.09	14.55	21.04
Basic and Diluted EPS after extraordinary items (In Rupees) (Not Annualised)	0.26	0.83	6.44	1.09	14.55	21.04
PARTICULARS OF SHAREHOLDING						
Public Shareholding						
- Number of Shares	15,739,744	15,661,094	19,336,207	15,739,744	19,336,207	16,898,597
- Percentage of Shareholding	30.91%	30.75%	37.97%	30.91%	37.97%	33.19%
Promoter and Promoter Group Shareholding						
a. Pledged / Encumbered						
- Number of shares	25019002	24,369,002	18273002	25019002	18273002	20,669,002
-Percentage of shareholding (as a % of total shareholding of promoter and promoter group)	71.11%	69.11%	57.85%	71.11%	57.85%	60.75%
-Percentage of shareholding (as a % of total share capital of the company)	49.13%	47.86%	35.89%	49.13%	35.89%	40.59%
b. Non- Encumbered						
- Number of shares	10,163,055	10,891,705	13,312,592	10,163,055	13,312,592	13,354,202
-Percentage of shareholding (as a % of total shareholding of promoter and promoter group)	28.89%	30.89%	42.15%	28.89%	42.15%	39.25%
-Percentage of shareholding (as a % of total share capital of the company)	19.96%	21.39%	26.14%	19.96%	26.14%	26.22%



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STATEMENT OF ASSETS AND LIABILITIES
PARTICULARS

	Half Year Ended 30.09.2013	Year Ended 31.03.2013
	Unaudited	Audited
A. EQUITIES AND LIABILITIES :		
1. Shareholders Fund :		
a. Share Capital		
b. Reserves & Surplus	50.92	50.92
	1,524.40	1,519.46
	1,575.32	1,570.38
2. Non Current Liabilities		
a. Long Term Borrowings		
b. Deferred Tax Liabilities (net)	870.38	762.63
c. Long-Term Provisions	527.17	526.11
	9.12	9.12
	1,406.67	1,297.86
3. Current Liabilities		
a. Short term borrowings		
b. Trade Payables	3,353.32	2,470.24
c. Other Current Liabilities	1,250.84	1,324.27
d. Short term Provisions	3,803.98	3,914.94
	55.27	54.22
	8,463.41	7,763.67
TOTAL EQUITIES AND LIABILITIES	11,445.40	10,631.91
B. ASSETS		
1. Non Current Assets		
a. Fixed Assets		
b. Non Current Investments	2,841.43	2,737.89
c. Long Term loans and Advances	230.03	230.03
	457.69	464.83
	3,529.15	3,432.75
2. Current Assets		
a. Inventories		
c. Trade Receivables	4,569.78	4,352.32
d. Cash and cash Equivalents	182.41	55.30
e. Short terms Loans and Advances	15.15	25.55
f. Other Current Assets	2,676.81	2,285.62
	472.10	480.37
TOTAL ASSETS	7,916.25	7,199.16
	11,445.40	10,631.91

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 13th November, 2013. The Statutory Auditors have carried out the 'Limited Review' of the results.
- The Company has prepared its financials on stand alone basis.
- Taxation is provided under Minimum Alternate Tax (MAT) basis. Credit for MAT entitlement, if any, shall be considered at the year end.
- The Company has one identifiable, reportable segment, namely Manufacturing as per quantitative criteria of Accounting Standard -17 'Segment Reporting' issued by the Institute of Chartered Accountants of India.
- The Company has firm commitments in foreign exchange as regards both its payables and receivables. The company has applied the principle of hedge accounting contained in Accounting Standard 30 issued by the Institute of Chartered Accountants of India for its net firm commitment in receivables and payables in foreign exchange. In view of the same, Mark to Market differences as on 30th September, 2013 of Rs 2.90 crores does not have any material impact on the financial statements.
- Figures for the previous year / period have been regrouped and / or reclassified wherever considered necessary.

7. Investor Complaints:

Pending at the beginning of the quarter	NII
Received during the quarter	NII
Resolved during the quarter	NII
Unresolved at the end of the quarter	NII

Place: Mumbai
Date : 13th November, 2013

For ABC Shipyard Limited
Major Anil Phatak
(Executive Director)

CPK



NISAR & KUMAR
CHARTERED ACCOUNTANTS

A/17-18, Everest Building, 1st floor, Rd.
Kandee, Mumbai - 400 034.
Tel : 2351 54 14 • Fax : 2351 55 27
Email : nisar@nsr.net

LIMITED REVIEW REPORT
TO THE BOARD OF DIRECTORS OF ABG SHIPYARD LIMITED

- 1) We have reviewed the accompanying statement of 'Unaudited Standalone Financial Results' in which are included the results for the period ended 30th September, 2013 and the statements of assets and liabilities as on that date (the 'statement') of ABG Shipyards Ltd, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with Stock Exchange in India, which has been initiated by us for the identification purposes. 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 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 misstatement. A review is limited primarily to inquiries of company personnel and analytical procedure 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) We observe that the Company has not made provision for Mark to Market losses on account of derivative contracts amounting to Rs. 2.90 crores. Had the above impact been considered, the profit would have been lesser by the said amount. We have been informed that the Company has firm commitments in foreign exchange as regards both its payables and receivables. The Company has applied the principle of hedge accounting contained in Accounting Standard 30 issued by the Institute of Chartered Accountants of India for its net firm commitment in receivables and payables in foreign exchange. In view of the same, the management has informed that Mark to Market differences as on September 30, 2013 of Rs 2.90 crores do not have any material impact on the financial statements.
- 4) We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
- 5) Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement of unaudited financial results, prepared in accordance with applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised 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 Nisar & Kumar
Chartered Accountants
F.R. No. 107117W


M. N. Ahmed
Partner
M. No. 018380

Place: Mumbai
Date: 13th November 2013