



August 13, 2010

The Manager
Corporate Relations Deptt.
Bombay Stock Exchange Ltd.
Dalal Street, Mumbai - 400 001.

Re.: Scrip Code: 533107

Dear Sir,

Sub.: Board Meeting of Pipavav Shipyard Ltd. held on August 13, 2010

This is to inform you that the Board of Directors, at its meeting held today i.e. on August 13, 2010, *inter alia*, transacted the following business:-

1. The Board approved the Un-audited Financial Results (Standalone) for the Quarter ended June 30, 2010 of the Company. During the Quarter ended the Company has recorded Revenue of Rs. 176.02 Cr. (as against Revenue of Rs. 141.17 Cr. during the 1st Qtr of the last fiscal) and Net Loss of Rs. 9.79 Cr (as against Net Profit before Tax of Rs. 4.16 Cr. during the 1st Qtr of the last fiscal). A copy of the said Un-audited Financial Results (Standalone) of the Company in the prescribed format is attached herewith.
2. The Board, subject to the shareholders' approval, has approved Issue of upto 2,52,21,612 Convertible Warrants to the Promoter of the Company at a price to be determined as per formula specified in the SEBI (ICDR) Regulations, 2009, which is an investment of around Rs. 250 Cr. in the Company. The Board has approved convening of an Extra-Ordinary General Meeting on Tuesday, September 7, 2010.
3. The Board also noted that the Company has signed a MOU with Transocean Offshore International Ventures Limited for repairs of its fleet of Off-shore drilling Units on the west coast of India.
4. The Board approved the appointment of Mr. Jigar Shah, a qualified Chartered Accountant as the Chief Financial Officer ('CFO') of the Company with effect from August 9, 2010.

You are requested to kindly take note of the above.

Thanking you,

Yours faithfully,
for Pipavav Shipyard Limited

Ajit Dabholkar
Company Secretary & Compliance Officer

PIPAVAV SHIPYARD LIMITED

PIPAVAV
SHIPYARD
PIPAVAV SHIPYARD LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2010


Rs in Lacs Except share data

Sr No	Particulars	Standalone		Standalone
		Quarter Ended 30th June		Year Ended 31st March
		2010	2009	2010
		Unaudited		Audited
1	Income			
(a)	Net Sales / Income from Operation	17,602.26	14,117.28	62,938.26
(b)	Other Operating Income	-	-	-
	Total Income	17,602.26	14,117.28	62,938.26
2	Expenditure			
(a)	(Increase) / Decrease in value of Stock	(650.20)	12,281.57	11,294.30
(b)	Consumption of Raw Materials and Components	6,918.29	1,167.85	16,931.91
(c)	Purchase of Traded Goods	1,642.08	-	9,477.15
(d)	Employee Cost	628.70	529.28	2,162.85
(e)	Cost estimated for Revenue Recognised	4,211.66	-	11,400.78
(f)	Depreciation	1,176.80	753.13	3,654.73
(g)	Other Expenses	3,613.90	775.64	12,333.50
	Total	17,541.23	15,507.47	67,255.22
3	Profit / (Loss) before Interest & Tax (1 - 2)	61.03	(1,390.19)	(4,316.96)
4	Other Income	1,252.88	3,467.41	6,750.66
5	Profit / (Loss) before Interest and Exceptional Items (3 + 4)	1,313.91	2,077.22	2,433.70
6	Interest and Financial Charges	2,292.89	1,661.68	7,299.92
7	Profit / (Loss) after Interest but before Exceptional Items (5 - 6)	(978.98)	415.54	(4,866.22)
8	Exceptional Items	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7 + 8)	(978.98)	415.54	(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)	(978.98)	166.03	(4,882.05)
12	Extraordinary items (Net of Tax Expenses)	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(978.98)	166.03	(4,882.05)
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	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	(0.15)	0.03	(0.82)
(b)	Basic and Diluted EPS after Extra Ordinary Items	(0.15)	0.03	(0.82)
17	Aggregate of Public Share Holding			
	- No. of Shares	367,427,208	316,986,630	402,436,855
	- % of Shareholding	55.18%	54.62%	60.44%
18	Promoter & Promoter Group Shareholding			
	a) Pledged / Encumbered			
	- Number of Shares	133,999,994	-	133,999,994
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	44.91%	NIL	50.88%
	- Percentage of shares (as a % of the total share capital of the company)	20.13%	NIL	20.13%
	b) Non-Encumbered			
	- Number of Shares	164,371,186	263,361,533	129,361,539
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	55.09%	100.00%	49.12%
	- Percentage of shares (as a % of the total share capital of the company)	24.69%	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 August 13, 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. 2,236.71 Lacs for the period ended on 30th June 2010 has been recognised as revenue in respect of Ships under construction on proportionate completion basis. This includes Rs. 428.82 lacs (including Rs. 294.32 lacs of customs duty), being the indirect tax benefits availed by the SEZ Unit. 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 as reported are now progressing. One Goliath crane is successfully erected and is under trial & commissioning and second Goliath crane is under erection which is expected to be completed by September 2010.
- As approved by the Shareholders in Extraordinary General Meeting held on May 5, 2010, the Company has allotted 25,400,000 10% Compulsorily and Mandatorily Convertible unsecured Debentures @ Rs. 70 each ("CCDs") to Valiant Mauritius Partners FDI Limited. Each CCD will be converted into one fully paid-up Equity Share of Rs 10/- each on the completion of one year 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. 4,211.66 Lacs (for quarter ended 30th June 2009 Rs. NIL and for 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.
- Open offer made by SKIL Infrastructure Limited ("SKIL"), SKIL Shipyard Holdings Private Limited ("SKIL Shipyard") to the public shareholder of the Company pursuant to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 triggered by acquisition of shares in the Company by SKIL and SKIL Shipyard from Punj Lloyd Limited is now completed. Pursuant to this open offer SKIL Infrastructure Limited ("SKIL") has acquired 3,50,10,647 Equity Shares of the Company representing 5.26% shares of the total capital of the Company which were tendered in the open offer.
- 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 Financial results of the company for the quarter ended 30th June 2010, in accordance with clause 41 of the Listing Agreement.
- There were no complaints pending from investors at the beginning of the quarter, 46 complaints received were resolved during the quarter ended 30th June 2010 and no complaints were outstanding as on 30th June 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 : 13.08.2010


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