

RELIANCE

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

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. 598237/38/8347/8348/ 66418124/25/26

BSE Scrip Code: 533107

NSE Symbol: RDEL

Dear Sirs,

Sub: Statement of Audited Consolidated Financial Results for the financial year ended March 31, 2016.

Further to our letter dated May 7, 2016 and pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a statement of Audited Consolidated Financial Results for the financial year ended March 31, 2016 alongwith the Auditor's Report and Form A.

The above financial results were approved by the Board of Directors at its meeting held on May 14, 2016. The meeting of the Board of Directors of the Company commenced at 12 noon and concluded at 5.45 p.m.

The statement of Audited Financial Results (standalone) for the quarter and financial year ended March, 2016 alongwith the Auditors' Report and Form A follows by a separate letter.

We enclose herewith a copy of Media Release being issued by Reliance Defence and Engineering Limited on the subject matter.

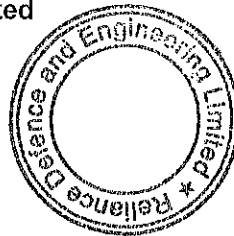
We request you to inform your members accordingly.

Thanking you,

Yours faithfully,
For Reliance Defence and Engineering Limited


Ajit Dabholkar

Corporate Counsel & Company Secretary

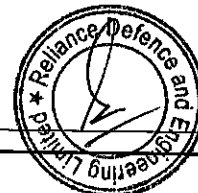


Encl: As above

| Sr. No. | Particulars | Rs in Lakh | |
|-----------|---|--------------------------|--------------------------|
| | | Year ended 31/03/2016 | Year ended 31/03/2015 |
| | | Audited | Refer note no 7 |
| 1 | Income from operations | | |
| (a) | Net Income from Operations | | |
| (b) | Other Operating Income | 30,717 | 90,453 |
| | Total Income from operations (net) | 500 | 698 |
| 2 | Expenses | 31,217 | 91,151 |
| (a) | Cost of Materials Consumed | | |
| (b) | Purchase of Stock - in - trade | 9,185 | 7,978 |
| (c) | Changes in Inventories of scrap and work in progress | - | 21,212 |
| (d) | Employees benefits expense | (3,553) | (1,126) |
| (e) | Depreciation and amortisation expense | 5,808 | 6,245 |
| (f) | Cost Estimated for Revenue Recognised (Refer Note No. 03) | 22,136 | 20,392 |
| (g) | Other Expenditure | 13,113 | 6,031 |
| | Total Expenses | 21,333 | 42,690 |
| 3 | Profit / (Loss) from operations before Other Income, Finance Costs & Exceptional Items (1-2) | 68,022 | 103,422 |
| 4 | Other Income | (36,805) | (12,271) |
| 5 | Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3+4) | 3,367 | 3,151 |
| 6 | Finance Costs | (33,438) | (9,120) |
| 7 | Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5-6) | 53,706 | 48,689 |
| 8 | Exceptional Items | (87,144) | (57,809) |
| 9 | Profit / (Loss) from Ordinary Activities before Tax (7+8) | (87,144) | (57,809) |
| 10 | Tax Expense - Deferred Tax Credit | (27,869) | (20,742) |
| 11 | Net Profit / (Loss) from Ordinary Activities after Tax (9-10) | (59,275) | (37,067) |
| 12 | Extraordinary items (Net of Tax Expense) | - | - |
| 13 | Net Profit / (Loss) for the Year (11-12) | (59,275) | (37,067) |
| 14 | Share in Profit of Associate | 33 | 12 |
| 15 | Net Profit / (Loss) after Taxes and share of profit of Associate (13+14) | (59,242) | (37,055) |
| 16 | Paid-up Equity Share Capital (Face Value of Rs. 10/- each) | 73,621 | 73,621 |
| 17 | Other Equity (Reserves and Surplus) | 128,864 | 187,969 |
| 18 | Earnings Per Share (EPS) before and after extraordinary items | | |
| (a) | Basic EPS (Rs.) | (8.05) | (5.03) |
| (b) | Diluted EPS (Rs.) | (8.05) | (5.03) |

STATEMENT OF ASSETS AND LIABILITIES

| Particulars | Rs in Lakh | |
|---|------------------|------------------|
| | 31/03/2016 | 31/03/2015 |
| | Audited | Refer note no 7 |
| I ASSETS | | |
| 1) Non - Current Assets | | |
| a) Property, Plant and Equipment (including Capital Work in Progress) | | |
| b) Intangible Assets (including Assets under development) | 965,062 | 950,651 |
| c) Goodwill on Consolidation | 8,428 | 6,239 |
| d) Non-Current Investments | 1,019 | 1,019 |
| e) Other Non Current assets | 30,202 | 30,169 |
| Sub-total - Non - Current Assets | 48,093 | 44,560 |
| | 1,052,804 | 1,032,638 |
| 2) Current Assets | | |
| a) Inventories | | |
| b) Financial Assets | 61,436 | 31,129 |
| c) Other Current Assets | 17,497 | 25,698 |
| Sub-total - Current Assets | 50,407 | 53,260 |
| | 129,340 | 110,087 |
| TOTAL - ASSETS | 1,182,144 | 1,142,725 |
| II EQUITY AND LIABILITIES | | |
| 1) Equity | | |
| a) Equity Share Capital | | |
| b) Other Equity | 73,621 | 73,621 |
| Sub-total - Equity | 128,864 | 187,969 |
| | 202,485 | 261,590 |
| 2) Non - Current Liabilities | | |
| a) Long - Term Borrowings | | |
| b) Deferred Tax Liabilities (Net) | 598,390 | 548,946 |
| c) Other Non-Current Liabilities | 5,052 | 32,859 |
| d) Non Current Provisions | 5,624 | 5,624 |
| Sub-total - Non - Current Liabilities | 299 | 411 |
| | 609,365 | 587,840 |
| 3) Current Liabilities | | |
| a) Short Term Borrowings | | |
| b) Trade Payables | 187,811 | 122,590 |
| c) Other Current Liabilities | 27,304 | 30,652 |
| d) Current Provisions | 85,044 | 78,719 |
| Sub-total - Current Liabilities | 70,135 | 61,334 |
| | 370,294 | 293,295 |
| TOTAL - EQUITY AND LIABILITIES | 1,182,144 | 1,142,725 |



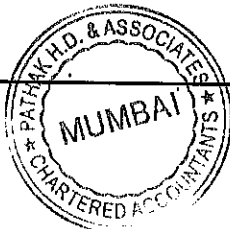
Report of Segment wise Revenue, Results and Capital Employed, under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)

| Sr No | Particulars | Rs in Lakh | |
|-------|---|--------------------------|--------------------------|
| | | Year ended 31/03/2016 | Year ended 31/03/2015 |
| | | Audited | Refer note no 7 |
| 1. | Segment Revenue | | |
| | a) Ship-building & Fabrication | 31,217 | 69,716 |
| | b) Trading | - | 21,435 |
| | Total | 31,217 | 91,151 |
| | Less : Inter-segment Revenue | - | - |
| | Net Income from Operations | 31,217 | 91,151 |
| 2. | Segment Results (Profit/(loss) before tax & interest from each segment) | | |
| | a) Ship-building & Fabrication | (27,762) | (3,657) |
| | b) Trading | - | 223 |
| | Total | (27,762) | (3,434) |
| | Less : i) Finance Costs | 53,706 | 48,689 |
| | ii) Other unallocable expenditure net off unallocated income | 5,676 | 5,686 |
| | Total Profit/(loss) Before Tax | (87,144) | (57,809) |
| 3. | Capital Employed (Segment Assets - Segment Liabilities) | | |
| | a) Ship-building & Fabrication | 941,780 | 906,847 |
| | b) Trading | - | 3,405 |
| | c) Unallocated | (739,295) | (648,662) |
| | Total | 202,485 | 261,590 |

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 The Consolidated accounts have been prepared in accordance with Ind-AS 110 on Consolidated Financial Statements and Ind-AS 28 on Investments in Associates and Joint Ventures.
- 03 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.
- 04 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 and Freehold land in one of the subsidiary at their fair value, and considered the same 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. 233,530 lakh, reduction in carrying value of other non-current assets, trade receivables and other current assets by Rs. 2,744 lakh, Rs. 70,938 lakh and Rs. 47,280 lakh respectively, increase in deferred tax liability by Rs. 43,836 lakh and other provisions by Rs. 3,941 lakh, leaving net effect of Rs. 64,791 lakh to Other Equity. Consequently, consolidated statement of profit and loss for the year ended on March 31, 2015 has been restated due to increase in depreciation by Rs. 6,610 lakh on account of fair valuation, loss arising from foreign exchange variation by Rs. 2,408 lakh, adjustment of prior period items of Rs. 98 lakh and reversal of deferred tax liabilities by Rs. 11,631 lakh, resulting in net decrease in reported consolidated loss for the previous year by Rs. 2,711 lakh. 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.
- 05 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".
- 06 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.
- 07 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.



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 Consolidated Financial Results of RELIANCE DEFENCE AND ENGINEERING LIMITED (FORMERLY KNOWN AS PIPAVAV DEFENCE AND OFFSHORE ENGINEERING COMPANY LIMITED) ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associate, for the year ended 31st March 2016 ("the Statement"), being submitted by the Holding 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 Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related Consolidated Audited Financial Statements which are in accordance with the Indian Accounting Standards (Ind AS) prescribed 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 did not audit the financial statements of Subsidiaries, whose financial statements reflect total assets of Rs. 155,846 Lacs as at 31st March, 2016 and total revenue of Rs. 6,164 Lacs for the year then ended on that date and financial statement of Associate in which the share of profit of the group is Rs. 33 Lacs. These financial statements and other



financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the statement to the extent they have derived from such financial statements is based solely on the reports of such other auditors.

Our Opinion on the Statement is not modified in respect of above matters with regard to our reliance on the reports of the other auditors.

4. 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 Holding company has applied to Central Government for necessary approval which is awaited.
- (ii) the note no. 4 of accompanying Statement of Consolidated Financial Results regarding voluntary early adoption of Ind AS by the Group 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.

5. In our opinion and to the best of our information and according to the explanations given to us, and based on the Consideration of the reports of the other auditors referred to in paragraph 3 above, the statement:

- (i) Includes the result of entities as given below:

List of Subsidiaries:

E Complex Private Limited , Reliance Marine and offshore Limited (Formerly Pipavav Marine and offshore Limited), Reliance Lighter Than Air Systems Private Limited (Formerly Pipavav Lighter Than Air Systems Private Limited), Reliance Technologies and Systems Private Limited (Formerly Pipavav Technologies and Systems Private Limited), Reliance Engineering and Defence Services Limited (Formerly Pipavav Engineering and Defence Services Limited), PDOC Pte. Ltd. (incorporated and place of business at Singapore).



List of Associate:

Conceptia Software Technologies Private Limited

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

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

6. The figures for the "Year ended 31/03/2015" are as restated and certified by the management to be in compliant with Ind AS based on the audited consolidated financial statements of the Company audited by other auditors.

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



R. P. Shah

Rupesh Shah
Partner
Membership No. 117964

Place: Mumbai
Dated: 14th May, 2016

FORM A

(For Audited Report on Consolidated 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 | <p>Consolidated Financial Statements – Unmodified</p> <p>Emphasis of Matters</p> <p>Following emphasis of matters have been given in the independent Auditor's Report on the Consolidated Financial Statements for the year ended 31st March, 2016</p> <p>"We draw attention to the</p> <p>(a) note no. 28.1 to the Consolidated Financial Statements regarding managerial remuneration paid or payable to Executive Director of the Holding Company, which is subject to the approval of Central Government.</p> <p>(b) note no. 47 to the Consolidated Financial Statements regarding voluntary early adoption of Ind AS by the Group 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 consolidated financial statements as per the 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.</p> <p>Our opinion is not modified in respect of these matters."</p> |
| 4 | Frequency of observation | <p>i) The matter (a) above is appearing since financial year ended 31st March, 2014</p> <p>ii) The matter (b) above is reported first time in the financial year ended 31st March, 2016</p> |

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

R. P. Shah

Rupesh Shah
Partner
Membership No.: 117964

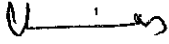


For Reliance Defence and Engineering Limited

Ajaj Vikram Singh
Ajaj Vikram Singh
Chairman – Audit Committee

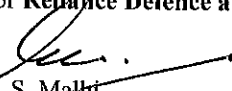


For Reliance Defence and Engineering Limited


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



Reliance Defence and Engineering Limited
(Formerly Pipavav Defence and Offshore Engineering
Company Limited)
Reliance Centre
Santa Cruz (East), Mumbai 400 055
CIN: L35110GJ1997PLC033193

MEDIA RELEASE

PERFORMANCE ON STANDALONE BASIS

PAT AT RS. 102 CRORE IN Q4 '16 AGAINST LOSS OF RS. 294 CRORE IN Q3 FY '16

**EBIDTA AT RS. 8 CRORE IN Q4 '16 AGAINST EBIDTA (LOSS) OF RS. 123 CRORE
IN Q3 FY '16**

FY 16 TOTAL INCOME AT Rs 306 CRORE

**DELIVERED STATE-OF-THE-ART OFF SHORE SUPPLY VESSEL AFTER
TAKEOVER BY RELIANCE**

TO MAKE RIGHTS ISSUE OF EQUITY SHARES UP TO Rs 1,200 CRORE

PROCEEDS TO AUMENT LONG TERM RESOURCES

TO EXIT FROM CDR AND TO STRENGTHEN FINANCIAL POSITION

Mumbai, May 14, 2016: Reliance Defence and Engineering Limited today announced its audited financial results for the quarter and year ended March 31, 2016. The results in the prescribed format are attached hereto.

Reliance Defence and Engineering Limited

Reliance Defence and Engineering Limited (RDEL) has the largest shipbuilding engineering infrastructure in India and is one of the largest in the world. The Company is the first private sector company in India to be awarded the contract to build warships for Indian Navy.

The shipyard has the largest dry dock (662 mtrs X 65 mtr) in the Country that enables it to build all types of vessels including the largest warships like Aircraft Carriers. The Shipyard houses the only modular shipbuilding facility with a capacity to build fully fabricated and outfitted blocks. The fabrication facility is spread over 2.1 million sq. ft. The shipyard has a pre-erection berth of 980 meters length and 40 meters width, and 2 Goliath cranes with combined lifting capacity of 1,200 tonnes, besides outfitting berth of 780 meters.

For further details, contact:

Mr Daljeet S Singh

09312014099

Daljeet.S.Singh@relianceada.com

RELIANCE

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

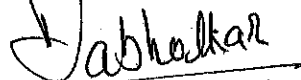
Further to our earlier letter dated May 14, 2016, we enclose herewith Audited Financial Results (Standalone) alongwith the Auditors' report and Form A for the quarter and financial year ended March 31, 2016.

We request you to inform your members accordingly.

Thanking you.

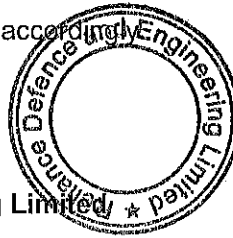
Yours faithfully,

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

| 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 | 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 | - | - | - | - | -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 | 87,774 | 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 | As at 31.03.2015 |
| | Audited | Refer note no 6 |
| I ASSETS | | |
| 1) Non - Current Assets | | |
| a) Property, Plant and Equipment (including Capital Work in Progress) | 892,872 | 881,555 |
| 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 | 5,824 |
| d) Non Current Provisions | 299 | 405 |
| Sub-total - Non - Current Liabilities | 577,855 | 548,886 |
| 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

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. | Segment Revenue | | | | | |
| | a) Ship-building & Fabrication | 9,473 | 5,064 | 5,036 | 30,626 | 69,716 |
| | b) Trading | - | - | - | - | 13,385 |
| | Total | 9,473 | 5,064 | 5,036 | 30,626 | 83,101 |
| | Less : Inter-segment Revenue | - | - | - | - | - |
| | Net Income from Operations | 9,473 | 5,054 | 5,036 | 30,626 | 83,101 |
| 2. | Segment Results | | | | | |
| | (Profit/(loss) before tax & interest from each segment) | | | | | |
| | a) Ship-building & Fabrication | (5,815) | (16,327) | (14,103) | (27,831) | (4,088) |
| | b) Trading | - | - | - | - | 139 |
| | Total | (5,815) | (16,327) | (14,103) | (27,831) | (3,949) |
| | Less : i) Finance Costs | 12,450 | 11,711 | 13,850 | 47,179 | 45,269 |
| | ii) Other unallocable expenditure net off unallocated income | (1,295) | 1,321 | 5,687 | 5,348 | 5,599 |
| | Total Loss Before Tax | (16,970) | (29,359) | (33,640) | (80,358) | (54,817) |
| 3. | Capital Employed | | | | | |
| | (Segment Assets - Segment Liabilities) | | | | | |
| | a) Ship-building & Fabrication | 915,851 | 896,809 | 848,767 | 915,851 | 848,767 |
| | b) Trading | - | - | 3,405 | - | 3,405 |
| | c) Unallocated | (746,390) | (705,499) | (629,983) | (746,390) | (629,983) |
| | Total | 169,461 | 191,310 | 222,189 | 169,461 | 222,189 |

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. 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)

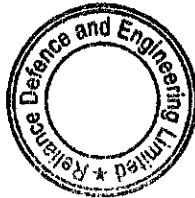
(Pursuant to Regulation 33 of SEBI (Listing obligation and disclosure requirements) Regulations, 2015)

| | | |
|---|---|---|
| 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 | <p>Standalone Financial Statements – Unmodified</p> <p>Emphasis of Matters</p> <p>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</p> <p>"We draw attention to the:</p> <p>a. note no. 29.1 regarding managerial remuneration paid / payable to Executive Director, which is subject to the approval of the Central Government.</p> <p>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.</p> <p>Our opinion is not modified in respect of these matters."</p> |
| 4 | Frequency of observation | <p>i) The matter (a) above is appearing since financial year ended 31st March, 2014</p> <p>ii) The matter (b) above is reported first time in the financial year ended 31st March, 2016</p> |

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

R. Shah

Rupesh Shah
Partner
Membership No.: 117964

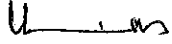


For Reliance Defence and Engineering Limited

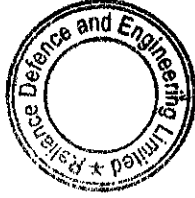
Ajai Vikram Singh
Ajai Vikram Singh
Chairman – Audit Committee



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