



TEBMA SHIPYARDS LIMITED

Registered office:5/360,Rajiv Gandhi Salai,
Okkiam Thoraipakkam, Chennai - 600 097

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2009

All amounts in Indian Rupees lakhs, except share data

SI No.	PARTICULARS	Year ended	
		March 31, 2009 (Audited)	March 31, 2008 (Audited)
1	Net sales / Income from operations	31,148.46	43,897.41
2	Other operating income	-	-
3	Total income (1+2)	31,148.46	43,897.41
4	Expenditure		
	Consumption of raw materials and components for shipbuilding projects	17,767.12	28,580.61
	Employee cost	1,819.86	1,064.10
	Depreciation	941.24	340.47
	Foreign exchange difference, net	8,525.40	1,704.00
	Other expenditure	7,701.76	4,446.67
	Total	36,755.38	36,135.85
5	Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (3-4)	(5,606.92)	7,761.56
6	Other income	986.50	469.57
7	Profit / (Loss) before Interest and Exceptional Items (5+6)	(4,620.42)	8,231.13
8	Interest & Finance charges	3,092.05	1,339.55
9	Profit after Interest but before Exceptional Items (7-8)	(7,712.47)	6,891.58
10	Exceptional items	-	-
11	Profit (+)/ Loss (-) from ordinary activities before tax (9+10)	(7,712.47)	6,891.58
12	Tax expense	(201.43)	646.47
13	Net Profit (+)/ Loss (-) from ordinary activities after tax (11-12)	(7,511.04)	6,245.11
14	Prior period items, net	52.62	(101.85)
15	"Net Profit (+)/ Loss (-) from ordinary activities after tax and prior period items (13-14)"	(7,563.66)	6,346.96
16	Extraordinary Items (net of tax expense Rs.)	-	-
17	Net Profit(+)/ Loss(-) for the period (15-16)	(7,563.66)	6,346.96
18	Paid-up equity share capital of Rs.10/- each	777.82	777.82
19	Reserves excluding Revaluation Reserves	4,450.30	13,142.36

SI No.	PARTICULARS	Year ended	
		March 31, 2009 (Audited)	March 31, 2008 (Audited)
20	(i) Earnings Per Share (EPS) (in Rs) before extraordinary items for the period, for the year to date and for the previous year.		
	a) Basic EPS	(97.24)	81.60
	b) Diluted EPS	(97.24)	81.60
	(ii) Earnings Per Share (EPS) (in Rs) after extraordinary items for the period, for the year to date and for the previous year		
	a) Basic EPS	(97.24)	81.60
	b) Diluted EPS	(97.24)	81.60
21	Public Shareholding*		
	Number of Shares	3,272,244	3,272,244
	Percentage of Shareholding	42.07	42.07
22	Promoters and Promoter Group Shareholding		
	a) Pledged / Encumbered	-	-
	Number of Shares		
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-
	Percentage of Shares (as a % of the total share capital of the Company)		
	b) Non-encumbered		
	Number of Shares	4,505,936	4,505,936
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100	100
	Percentage of Shares (as a % of the total share capital of the Company)	57.93	57.93

*Public share holding as defined under Clause 40A of the Listing Agreement (excludes shares held by Promoters and Promoter Group)

Notes:

- 1 The above results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors at the respective meetings held on August 06, 2009.
- 2 The Company is mainly engaged in one primary segment i.e., construction of vessels and hence no separate segmental disclosures are required as per Accounting Standard 17 - Segment Reporting.
- 3 During the year, Tebma Gardens Limited, a wholly owned subsidiary company has filed voluntary winding up petition with the Registrar of Companies. The Company does not have any subsidiary as at the reporting date and accordingly the stand alone financial results have been published for the year.
- 4 In the current year, the Company has early adopted the hedge accounting principles in respect of forward exchange contracts as set out in Accounting Standard 30 - Financial Instruments: Recognition and Measurement. Accordingly, all such contracts outstanding as on March 31, 2009 that are designated as hedging instruments to hedge the foreign currency cash flow risk of highly probable forecast transactions are marked to market and an effective portion of loss aggregating to Rs 1,128.40 lakhs, net of taxes arising on such contracts has been directly recognised in the Hedging Reserve Account to be ultimately recognised in the Profit and Loss account, depending on the exchange rate fluctuation till and when the underlying forecasted transaction is consummated. Until the adoption of the Accounting Standard, such notional loss was recognised in the Profit and Loss Account.

- 5 The Company has opted for accounting the exchange differences in accordance with the Companies (Accounting Standards) Amendment Rules 2009 issued by Ministry of Corporate Affairs dated March 31, 2009 relating to Accounting Standard 11 which allows foreign exchange differences on long term monetary items to be capitalised to the extent they relate to acquisition of capital assets. As a result, the Company has adjusted Rs 476 lakhs to the cost of capital assets. Had the Company followed the practice of recognising such foreign exchange difference in the Profit and Loss Account, the loss for the year would be higher and the reserves and surplus would be lower by the corresponding amount.
- 6 On September 30, 2008, the Company has filed the Draft Letter of Offer ('DLOF') for issue of compulsory convertible preference shares of Rs 10/- each to the existing equity shareholders on rights basis with SEBI for issue size up to Rs.7,000 lakhs. The Company has received, as advance against share application money, from India Advantage Fund VI (promoter group entity) towards its firm commitment for subscription towards unsubscribed portion of the proposed Rights issue. On completion of the Rights Issue after meeting the shortfall the excess monies received, if any, towards the unsubscribed portion would be refunded to the promoter group entity without interest. Out of the above share application money an amount of Rs.2,914.62 lakhs has been deployed by the company as per objects of the issue and the unutilised amount is placed in fixed deposits with banks.
- 7 The auditors have qualified their report in respect the Company being in the process of making the application to seek the approval from Central Government, as it had not obtained prior approval of Central Government for payment of excess managerial remuneration aggregating to Rs.17 lakhs in excess of the limits under the provisions of the Companies Act. .
- 8 The Company has implemented an ERP system during the year and there were certain limitations arising out of the implementation.The auditors have qualified on non updation of certain inventory records for part of the year which has been rectified/updated as at the balance sheet date and reconciliation of inventory balances with results of physical verification conducted as at the year end for certain items of inventories included in Cochin and Chengelpet (inventories at these locations aggregating to Rs 563 lakhs) and consequent disclosure requirements under Part II to Schedule VI of the Companies Act, 1956. Management is in the process of reconciling the inventory records to physical verification records and does not expect the difference, if any, arising out of the reconciliation to be material.
- 9 Due to the ERP implementation issue mentioned above, the quarterly financial results for quarters ended June, September and December, 2008 have not been reviewed by the statutory auditors of the Company.
- 10 Consequent to the ERP implementation in the current year, the Company has revised the method of determination of cost of inventory from First In First Out method to weighted average method basis. Management has estimated that such change in accounting policy does not have any material impact on the profits for the current year.
- 11 The figures for the previous year have been re-grouped / re-classified, wherever necessary, to conform with the current year presentation.
- 12 The Company had received one investor complaint during the year and the same was adequately addressed. No complaint is pending unresolved as on March 31, 2009.

By order of the Board
for Tebma Shipyards Limited

Place: Chennai
Date: August 06, 2009

P.K.Balasubramanian
Chairman