



गार्डन रीच शिपबिल्डर्स एण्ड इंजीनियर्स लिमिटेड Garden Reach Shipbuilders & Engineers Limited

(भारत सरकार का उपक्रम , रक्षा मंत्रालय)

(A GOVERNMENT OF INDIA UNDERTAKING, MINISTRY OF DEFENCE)

CIN NO. : L35111WB1934GOI007891

SECY/GRSE/BD-69/Q2/19-20

31 Oct 2019

To,

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C-1, Block G,

Bandra Kurla Complex, Bandra (E),

Mumbai – 400 051

Symbol: GRSE

BSE Limited

Floor-25, Phiroze Jeejeebhoy Towers,

Dalal Street, Fort

Mumbai – 400 001

Scrip Code: 542011

Dear Sir / Madam,

Sub: Unaudited Standalone Financial Results for the quarter and half year ended 30th September, 2019

1. This has reference to our letter No. SECY/GRSE/BD-69/CA/14/19-20 dated 15 Oct 2019 on the subject matter of 'Intimation of Date of Board Meeting to, inter alia, consider and approve, Unaudited Standalone Financial Results for the quarter and half year ended 30th September, 2019'.
2. In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following:
 - a. Unaudited Standalone Financial Results for the quarter and half year ended 30th September, 2019 including the Statement of Assets and Liabilities as on that date and Statement of Cash flow (as part of notes) for the half year ended 30th September, 2019.
 - b. Limited Review Report given by the Statutory Auditors on the Unaudited Standalone Financial Results for the quarter and half year ended 30th September, 2019.
3. The aforesaid Results were taken on record by the Board of Directors at its Meeting held on 31 Oct 2019. Necessary publications are also being made in English, Hindi and Local dailies.
4. The meeting commenced at 1130 Hours and concluded at 1500 Hours.
5. This is for your information and record.

Thanking You,

Yours faithfully,
For GARDEN REACH SHIPBUILDERS & ENGINEERS LIMITED


Sandeep Mahapatra
Company Secretary and Compliance Officer

Encl: As above

Garden Reach Shipbuilders & Engineers Limited
(A Government of India Undertaking -Ministry of Defence)

(CIN : L35111WB1934GOI007891)

Registered & Corporate Office : 43/46, Garden Reach Road, Kolkata 700024.

E-mail : co.sec@grse.co.in, Website : www.grse.in, Ph : 033-24698100 to 8114, Fax : 033-24698150

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2019

(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended			Half year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)			(Unaudited)		(Audited)
	INCOME						
1	Revenue from Operations	43,901.87	16,795.82	21,770.34	60,697.69	40,861.70	1,38,642.16
2	Other Income	7,006.35	5,140.19	3,692.35	12,146.54	7,977.91	17,123.93
3	Total income (1+2)	50,908.22	21,936.01	25,462.69	72,844.23	48,839.61	1,55,766.09
4	EXPENSES						
	(a) Cost of materials consumed	25,863.90	6,319.87	7,758.24	32,183.77	14,172.07	68,018.44
	(b) Purchase of products for resale (B & D spares)	357.57	393.96	1,890.05	751.53	3,885.98	9,225.74
	(c) Changes in inventories of work-in- progress and scrap	(290.45)	(1,946.25)	407.43	(2,236.70)	364.82	(915.38)
	(d) Sub-contracting charges	4,124.79	2,366.83	2,045.06	6,491.62	4,973.20	12,580.02
	(e) Employee benefits expense	7,881.65	6,943.39	7,269.45	14,825.04	13,950.94	29,146.70
	(f) Finance costs	45.63	14.10	95.56	59.73	134.95	511.31
	(g) Depreciation and amortisation expense	775.89	694.96	676.75	1,470.85	1,365.36	2,708.47
	(h) Other expenses - project related	1,734.17	911.60	624.81	2,645.77	1,473.47	5,461.31
	(i) Other expenses	2,713.82	2,613.24	2,976.37	5,327.06	5,049.40	10,913.57
	Total expenses	43,206.98	18,311.70	23,743.72	61,518.68	45,370.19	1,37,650.18
5	Profit before exceptional items & tax (3 - 4)	7,701.24	3,624.31	1,718.97	11,325.55	3,469.42	18,115.91
6	Exceptional items	-	-	-	-	-	(219.89)
7	Profit before tax (5+6)	7,701.24	3,624.31	1,718.97	11,325.55	3,469.42	17,896.02
8	Tax expense (including deferred tax)	1,798.88	1,096.64	440.92	2,895.52	1,410.11	6,902.15
9	Profit for the period (7-8)	5,902.36	2,527.67	1,278.05	8,430.03	2,059.31	10,993.87
10	Other comprehensive income / (loss) (net of tax)	(275.73)	(87.34)	200.49	(363.07)	58.24	(637.21)
11	Total comprehensive income for the period (9 +10) [comprising profit and other comprehensive income for the period]	5,626.63	2,440.33	1,478.54	8,066.96	2,117.55	10,356.66
12	Paid - up equity share capital (Face value of ₹ 10/- each)	11,455.20	11,455.20	11,455.20	11,455.20	11,455.20	11,455.20
13	Other equity excluding revaluation reserves	-	-	-	-	-	92,375.51
14	Earnings per share (Basic & Diluted) (in ₹) (not annualised except 31.03.2019)	5.15	2.21	1.12	7.36	1.80	9.60

Notes:

- The financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules 2015, as amended.
- Ministry of Corporate Affairs (MCA) has exempted the companies engaged in defence production from the requirement of Segment Reporting.

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3. As required under clause 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Statutory Auditors of the Company have carried out limited review of the above financial results for the quarter and half year ended 30.09.2019.
4. On 20th September 2019, the Government of India vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act,1961, which provides domestic companies an option to pay Income Tax at lower rate of 22% (effective tax rate 25.17 %) effective 1 April 2019 (Assessment Year 2020-21), subject to certain conditions. The tax expenses for the quarter and half year ended 30 September, 2019 have been provided for at reduced tax rate.
5. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right of use asset recognized at an amount equal to the lease liability adjusted by any prepayments/ accruals recognized in the balance sheet immediately before the date of initial application, wherever applicable.
6. The above statement of financial results has been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 31st October 2019.
7. Figures for the previous periods/ year have been regrouped/reclassified/rearranged wherever considered necessary to make them comparable with figures of the current year.

For A. Kayes & Co.

Chartered Accountants

Firm Registration No - 311149E


(CA. S.R. Biswas)

Partner

Membership No. 051512

ICAI UDIN: 19051512AAAAA E5377

For and on behalf of the Board of Directors



Rear Admiral V.K. Saxena IN (Retd.)

Chairman & Managing Director

DIN – 07696782

Place : Kolkata

Date : 31st October, 2019




Garden Reach Shipbuilders & Engineers Limited

Statement of Assets and Liabilities as at 30 September, 2019


(₹ in Lakhs)

Particulars	As at 30 September, 2019 (Unaudited)	As at 31 March, 2019 (Audited)
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	29,966.14	29,727.67
(b) Capital work-in-progress	4,002.51	3,418.60
(c) Intangible assets	465.75	497.52
(d) Financial assets		
(i) Investments	0.44	0.44
(ii) Other financial assets	7,240.48	18,177.09
(e) Non-current tax assets	12,201.99	9,171.48
(f) Other non-current assets	1,939.45	856.15
(2) Current assets		
(a) Inventories	36,276.75	34,956.91
(b) Financial assets		
(i) Current Investment	-	183.01
(ii) Trade receivables	11,129.43	21,985.99
(iii) Cash and cash equivalents	10,234.43	927.43
(iv) Bank balances other than (iii) above	2,74,853.99	1,98,012.61
(v) Other financial assets	62,956.83	43,704.64
(c) Other current assets	1,14,420.90	57,330.46
(d) Assets classified as held for sale	56.64	43.09
TOTAL ASSETS	5,65,745.72	4,18,993.09
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	11,455.20	11,455.20
(b) Other equity	94,600.44	92,375.51
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
Trade payables	1,130.55	762.79
(b) Provisions	7,730.75	6,432.07
(c) Deferred tax liabilities (net)	1,112.82	1,122.53
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,702.90	-
(ii) Trade payables		
(a) total outstanding dues of micro and small enterprises	1,642.62	1,390.82
(b) total outstanding dues other than (ii) (a) above	42,047.54	35,618.17
(iii) Other financial liabilities	2,620.20	2,152.46
(b) Other current liabilities	3,84,874.98	2,53,602.54
(c) Provisions	14,827.73	14,081.00
TOTAL EQUITY AND LIABILITIES	5,65,745.72	4,18,993.09

For A. Kayes & Co.
Chartered Accountants
Firm Registration No - 311149E


(CA. S.R. Biswas)
Partner
Membership No. 051512
ICAI UDIN: 19051512AAAAA E5377

For and on behalf of the Board of Directors


Rear Admiral V.K. Saxena IN (Retd.)
Chairman & Managing Director
DIN - 07696782

Place : Kolkata
Date : 31st October, 2019



Garden Reach Shipbuilders & Engineers Limited
Cash Flow Statement for the half year ended 30 September, 2019

(Rs. in Lakhs)

Particulars	Half Year ended 30 September, 2019	
A. Cash flow from operating activities:		
Profit before taxation		11,325.55
Adjustments for -		
Interest income		10,355.09
Gain on fair valuation		(138.53)
Depreciation & amortisation expense		1,470.85
Retirement /Write off of Assets -Net		(19.71)
Finance cost		59.73
Unrealized loss/ (gain) on foreign exchange fluctuation		(73.90)
Provision for non moving & obsolete inventory		11.01
Liabilities no longer required written back		(519.09)
Operating profit before working capital changes		22,471.02
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade and other receivables	10,927.12	
(Increase)/Decrease in Other financial assets	(8,315.58)	
(Increase)/Decrease in Other non-current assets	(1083.30)	
(Increase)/Decrease in Other current assets	(57,090.44)	
(Increase)/Decrease in Inventories	(1,319.84)	
Increase/(Decrease) in Trade payables	6,455.94	
Increase/(Decrease) in Provisions	2,035.70	
Increase/(Decrease) in Other financial liabilities	467.74	
Increase/(Decrease) in Other current liabilities	1,08,028.54	60,105.88
Cash generated from/ (used in) operations		82,576.90
Taxes paid (net of refunds)		(1,950.00)
Net cash from/(used in) operating activities		80,626.90
B. Cash flow from investing activities		
Purchase of Property, plant and equipment (including intangibles and capital work in progress)		(1,575.24)
Investment in Fixed deposits		(84,000.00)
Proceeds from Maturity of Fixed Deposits		14,400.00
Interest received		2,054.32
Net cash from/(used in) investing activities		(69,120.92)
C. Cash flow from financing activities:		
Proceeds from/(Repayment of) Short term borrowings		3,702.90
Interest and other borrowing cost paid		(59.73)
Dividend paid		(5842.15)
Net cash from/(used in) financing activities		(2,198.98)
Net Increase/(Decrease) in Cash and cash equivalents		9,307.00
Opening Cash and cash equivalents		927.43
Closing Cash and cash equivalents		10,234.43

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 on Cash Flow Statement as notified under the Companies (Indian Accounting Standards) Rules, 2015.

2. Cash and cash equivalents do not include any amount which is not available to the Company for its use.

3. Cash and cash equivalents as at the Balance sheet date consists of :

Particulars	As at 30 September, 2019
Balances with banks	
Current accounts	234.19
Bank Deposits with maturity of less than three months	10,000.00
Cash in hand	0.24
Cash and cash equivalents	10,234.43

4. The figure in brackets represent cash outflow from respective activities.

For A. Kayes & Co.
Chartered Accountants
Firm Registration No - 311149E

(CA. S.R. Biswas)
Partner
Membership No. 051512
ICAI UDIN: 19051512AAAAA E5377

For and on behalf of the Board of Directors
Rear Admiral V.K. Saxena (Retd.)
Chairman & Managing Director
DIN - 07696782

Place : Kolkata
Date : 31st October, 2019





A.kayes & Co
CHARTERED ACCOUNTANTS

231 Kamalalaya Centre (2nd & 3rd Floor)

156A, Lenin Sarani, Kolkata - 700 013

Phone : 033 2215-7252

E-mail : akayes123@gmail.com

Website : www.akayesca.com

To
The Board of Directors,
Garden Reach Shipbuilders & Engineers Limited,
43/46, Garden reach Road,
Kolkata – 700 024

We have reviewed the accompanying statement of unaudited financial results of Garden Reach Shipbuilders & Engineers Limited (“the company”) for the quarter and half year ended 30th September 2019. 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 these financial statements based on our review.

We conducted our review of the Statement in accordance with Standard on Review Engagements (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 procedures 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized



practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed or that it contains any material misstatement.

Place : Kolkata

Date : 31st October 2019

For A.Kayes & Co.
Chartered Accountants.
Firm Registration No. 311149E

S.R. Biswas
(CA. S. R. Biswas)
Partner
Membership No. 051512
UDIN: 19051512AAAAA E5377

