

Press Release
29th March 2014

Cochin Shipyard (CSL) Launches the eighth Fast Patrol Vessel; delivers seven ships in six months;

Cochin Shipyard, today, launched, the eighth of the 20 Fast Patrol Vessel being built for Indian Coast Guard. The vessel was launched by Smt Arti Bhatnagar, Joint Secretary & Finance Manager (Maritime Systems), Ministry of Defense in a simple ceremony at Cochin Shipyard. Cmde K Subramaniam, CMD, CSL, Shri Ravikumar Roddam, Director (Finance), CSL, Shri Vinayakumar P, Director (Technical) and other senior CSL officials were present on the occasion.

2. Interestingly, the launch of the vessel comes on the heels of the delivery of the fifth vessel CGS Achook which was handed over to the Coast Guard yesterday, 28th March 2014. The first reading of D 448 (Acceptance protocol of delivery of fifth FPV) was signed by Capt R S Sundar, Director (Operations), on behalf of CSL and commanding officer designate of BY 505 (ICGS ACHOOK) Lt Cdr Rahul Gautam of Indian Coast Guard. DIG Vivek Vajpayee, Principal Director (Materials) , Indian Coast Guard and DIG T P Sadanandan, CGRPS (Kochi) were present on the occasion. This is the seventh ship that the yard has delivered this financial year. CSL delivered four fast patrol vessels to Indian Coast Guard and two high end Platform Supply Vessels to Norwegian owners, earlier. The last six months have been an extremely busy period for the shipyard with seven deliveries being made, virtually one ship every month. The highpoint of this year's performance for the shipyard has undoubtedly been the launching of the most prestigious warship of the Indian Navy "Vikrant" on 12 August 2013. The launching of its own aircraft carrier has catapulted India to a select club of 5 nations capable of building aircraft carriers of this size.

3. The above achievements of CSL is a record and is especially commendable in the light of difficult market scenario wherein ship deliveries have been delayed in most of the yards in India and abroad.

4. The performance of Cochin Shipyard had been consistently impressive in the last several years despite a very challenging business environment in the shipbuilding/ shiprepair and shipping scenario. CSL has increased its turnover five folds from Rs 373 crores in 2005-06 to Rs 1554 crores in 2012-13. Likewise the Profit After Tax doubled during the period from Rs 94 crores to Rs 185 crores. The yard is in robust financial health.

5. Cochin Shipyard has been consistently declaring and paying dividend to GOI in the last five consecutive years. Total dividend paid since 2008-09 including the dividend taxes amounted to around Rs 90 crores. Besides the yard also redeemed Rs 119.14 crores of preference share capital of GOI during the period and paid (approx) Rs 700 crores to national exchequer way of taxes and duties. Hence CSL's total contribution to national exchequer in the last five years was around Rs 900 crores against a GOI investment in the shares amounting to Rs 113 crores.

6. In order to maintain the growth momentum, CSL has identified projects for expansion in the short, medium and long term. The yard has identified considerable potential in the shiprepair business, owing to lack of commensurate facilities in the country. The yard has taken land on lease in the Cochin Port Trust (COPT) premises for setting up of an International Shiprepair Facility with Shiplift system. The capital cost for the facility is Rs 487 crores and is expected to take 5 years for setting up.

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