

Press Release
29th September 2015

Cochin Shipyard pays dividend for the seventh consecutive year

Cochin Shipyard Limited (CSL), a Schedule B Miniratna PSU under the Ministry of Shipping, paid a dividend of Rs 16.99 crores to Government of India here today. The Company is paying dividend for the seventh consecutive year. The dividend cheque was handed over to Shri Nitin Gadkari, Union Minister for Shipping, Govt of India by Cmde K Subramaniam CMD, CSL. Shri Rajive Kumar, IAS, Secretary (Shipping) and other senior officials of the Ministry were also present on the occasion.

2. A dividend of Rs 1.5 per Equity Share was paid on the 11,32,80,000 fully paid equity shares of Rs 10 each. In addition, the yard has also contributed Rs 190 crores to the exchequer by way of Value Added Tax, Income Tax, Fringe Benefit Tax, Excise Duty, Customs Duty and Service Tax during the year 2014-15.

3. The performance of Cochin Shipyard had been consistently impressive in the last several years despite a very challenging business environment in the Shipbuilding / Ship repair and Shipping scenario. Cochin Shipyard's turnover has increased fivefold from Rs. 373 crores in 2005-06 to Rs. 1859 crores in 2014-15. Likewise the Net Profits have more than doubled during the period from Rs. 94 crores to Rs. 235 crores. Considering the sluggish market, CSL performed creditably by posting an increase of 13%, both in turnover which increased from Rs 1637 crores in 2013-14 to Rs 1859 Crores this year and in net profit which was up from Rs 194 Crores in 2014-15 to Rs 235 Crores this year. CSL's achievements during the year include delivery of 07 Fast Patrol Vessels to the Indian Coast Guard. The shipyard is progressing on the construction of the prestigious indigenous aircraft carrier, the largest warship being built in the country. The construction of Fast Patrol Vessel is proceeding ahead of schedule, to the entire satisfaction of the Indian Coast Guard. During the year, CSL also delivered a Buoy Tender Vessel on 09 April 2015, a good two months ahead of the schedule delivery.

4. With a net worth of Rs. 1561 crores, the present book value of the company's shares of face value of Rs. 10 is Rs. 138. The company is looking at enlarging its product range and is actively pursuing the construction of dredgers and LNG vessels. 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 ship repair business. The yard has taken land on lease in the Cochin Port Trust (CoPT)

premises for setting up of an International Ship Repair Facility with Ship lift system. The capital cost for the facility is estimated at Rs. 970 crores and is expected to take about 3 years for setting up. The Company also proposes construction of a large dry dock at an estimated cost of Rs 1500 crores for which the 'in principle' approval of the Ministry of Shipping has already been obtained. The yard has also embarked on a techno economic feasibility study to set up a greenfield facility at Kandla.

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Company Secretary
Cochin shipyard limited
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