

<b>Varun Shipping Company Limited</b>			
<b>UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2010</b>			
	<b>Quarter ended June 30,</b>		<b>Rs in lacs</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>Year ended March 31,</b>
	<b>2010</b>	<b>2009</b>	<b>(Audited)</b>
	<b>( 1 )</b>	<b>( 2 )</b>	<b>( 3 )</b>
<b>1 Income</b>			
Freight & charter hire	<b>13,220.87</b>	<b>17,567.17</b>	<b>66,622.27</b>
Profit/(loss) on Sale of Ship (s) and other assets (Net)	10,836.12	4,648.69	23,042.40
<b>Total Income</b>	<b>24,056.99</b>	<b>22,215.86</b>	<b>89,664.67</b>
<b>2 Expenditure</b>			
a ) Staff cost (ashore and floating)	2,798.65	3,261.23	12,154.66
b ) Bunker cost	1,654.59	1,143.43	6,764.40
c ) Port expenses	554.92	409.07	2,001.21
d ) Stores,Lubes & Victualling	876.44	1,235.95	3,850.43
e ) Repairs & Maintenance including cost of Spares and Survey	2,878.28	2,611.42	6,651.79
f ) Depreciation	5,142.82	6,613.47	23,649.33
g ) Hire of inchartered ship	2,116.97	-	4,594.03
h ) Other expenditure	643.73	1,678.12	6,586.11
<b>Total</b>	<b>16,666.40</b>	<b>16,952.69</b>	<b>66,251.96</b>
<b>3 Profit from Operations before Other Income, Interest &amp; Exceptional Items</b>	<b>7,390.59</b>	<b>5,263.17</b>	<b>23,412.71</b>
4 Other Income	506.60	19.82	594.78
<b>5 Profit before Interest &amp; Exceptional Items (3 plus 4)</b>	<b>7,897.19</b>	<b>5,282.99</b>	<b>24,007.49</b>
6 Interest	5,357.53	4,301.97	19,319.94
<b>7 Profit from ordinary activities ( 5 minus 6)</b>	<b>2,539.66</b>	<b>981.02</b>	<b>4,687.55</b>
8 Exceptional item	-	-	701.06
9 Profit before tax	<b>2,539.66</b>	<b>981.02</b>	<b>5,388.61</b>
<b>10 Tax Expense</b>			
Current Tax (Refer note 2)	184.80	796.13	4,135.85
Fringe Benefit Tax (Excess provision for previous year)	-	-	(2.53)
11 Net (Loss)/Profit from Ordinary Activities after tax	<b>2,354.86</b>	<b>184.89</b>	<b>1,255.29</b>
12 Paid- up equity share capital (face value Rs.10/-)	15,000.78	15,000.78	15,000.78
13 Reserves excluding revaluation reserves			66,195.06
<b>14 EPS -Basic</b>	<b>1.57</b>	<b>0.12</b>	<b>0.84</b>
<b>(Not annualised for the quarterly results)</b>			
15 Public shareholding			
- Number of shares	86,652,831	80,252,003	85,401,847
- Percentage of shareholding	57.77	53.50	56.93
16 Promoters and promoter group Shareholding			
a) Pledged/Encumbered			
- Number of shares	25,086,605	9,445,770	26,300,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	39.60	13.54	40.71
- Percentage of shares (as a % of the total share capital of the company)	16.72	6.30	17.53
b) Non-encumbered			
- Number of shares	38,268,337	60,310,000	38,305,926
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	60.40	86.46	59.29
- Percentage of shares (as a % of the total share capital of the company)	25.51	40.20	25.54

Notes :

1. During the quarter the Company sold one LPG Carrier.
- 2 The Company is registered under the Tonnage Tax System under chapter XII-G of the Income Tax Act, 1961 and its tax liability is determined under that chapter. Accordingly, the Board considered it prudent to make the tax provision on tonnage tax basis. The provision for tax also includes tax liability of Rs 167.20 lacs on other income. However, incremental liability of Minimum Alternate Tax, estimated at Rs 2,075.20 lacs arising on account of sale of ship will be monitored closely and appropriate tax provision will be made in the subsequent quarters.
- 3 There were 3 investor complaints pending as on April 1, 2010. 22 investor complaints were received during the quarter and 22 complaints were disposed off during the quarter. Hence 3 complaints remained unresolved as on June 30,2010.
- 4 The Company is engaged primarily in shipping business and there are no separate reportable segments as per Accounting Standard 17.
- 5 Figures for the previous accounting periods have been regrouped wherever necessary.
- 6 The above results have been reviewed by the Audit Committee at its meeting held on August 4, 2010 and have been approved by the Board of Directors of the Company at its meeting held on August 5, 2010.

**For VARUN SHIPPING COMPANY LIMITED**

**ARUN MEHTA**  
**Chairman & Managing Director**

Mumbai, dated : August 5, 2010