

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2011

						Rs in lacs
		For the	Corresponding	Six	Corresponding	Year ended
		quarter	quarter	months	six months	March 31
		ended	in the	ended	in the	2011
		30.09.2011	previous year	30.09.2011	previous year	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		( 1 )	( 2 )	( 3 )	( 4 )	( 5 )
1	<b>Income</b>					
	Freight & charter hire	7,251.12	15,405.51	15,567.14	28,626.38	49,142.66
	Profit on Sale of Ship (s) and other assets (Net)	-	8,907.23	4,951.80	19,743.35	34,542.07
	Exchange gain / (loss) (refer note 3a)	16,006.26	(1,033.27)	16,165.20	(37.87)	(465.41)
	<b>Total Income</b>	<b>23,257.38</b>	<b>23,279.47</b>	<b>36,684.14</b>	<b>48,331.86</b>	<b>83,219.32</b>
2	<b>Expenditure</b>					
	a ) Staff cost (ashore and floating)	1,960.35	2,988.38	4,094.90	5,787.03	10,364.15
	b ) Bunker cost	689.21	2,812.09	1,293.31	4,466.68	6,773.89
	c ) Port expenses	191.15	313.53	367.63	868.45	1,457.15
	d ) Stores,Lubes & Victualling	304.16	768.16	821.11	1,644.60	2,696.27
	e ) Repairs & Maintenance including cost of Spares and Survey	2,067.01	1,994.98	4,859.28	4,873.26	7,067.58
	f ) Depreciation	2,526.40	4,638.11	5,800.43	9,780.93	17,789.25
	g ) Impairment loss on certain ships	-	-	-	-	-
	g ) Hire of inchartered ships	1,847.66	3,491.52	4,486.44	5,608.49	12,169.90
	h ) Other expenditure	1,141.71	1,521.91	2,254.77	3,161.03	5,992.42
	<b>Total</b>	<b>10,727.65</b>	<b>18,528.68</b>	<b>23,977.87</b>	<b>36,190.47</b>	<b>64,310.61</b>
3	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items</b>	<b>12,529.73</b>	<b>4,750.79</b>	<b>12,706.27</b>	<b>12,141.39</b>	<b>18,908.71</b>
4	Other Income	4,249.28	797.26	6,763.62	1,303.86	4,374.80
5	<b>Profit before Interest &amp; Exceptional Items (3 plus 4)</b>	<b>16,779.01</b>	<b>5,548.05</b>	<b>19,469.89</b>	<b>13,445.25</b>	<b>23,283.51</b>
6	Interest	6,738.97	5,387.57	12,955.14	10,745.10	21,601.31
7	<b>Profit from ordinary activities before tax ( 5 minus 6)</b>	<b>10,040.04</b>	<b>160.48</b>	<b>6,514.75</b>	<b>2,700.15</b>	<b>1,682.20</b>
8	<b>Tax Expense</b>					
	Current Tax (refer note 5)	-	183.20	-	368.00	335.24
	(Excess)/short provision of income tax for prior years	-	(80.27)	-	(80.27)	(127.81)
9	<b>Net Profit from Ordinary Activities after tax</b>	<b>10,040.04</b>	<b>57.55</b>	<b>6,514.75</b>	<b>2,412.42</b>	<b>1,474.77</b>
10	Paid- up equity share capital (face value Rs.10/-)	15,000.78	15,000.78	15,000.78	15,000.78	15,000.78
11	Reserves excluding revaluation reserves	-	-	-	-	66,275.10
12	<b>EPS -Basic</b>	<b>6.69</b>	<b>0.04</b>	<b>4.34</b>	<b>1.61</b>	<b>0.98</b>
13	Public shareholding					
	- Number of shares	90,264,155	88,344,985	90,264,155	88,344,985	90,100,350
	- Percentage of shareholding	60.17	58.89	60.17	58.89	60.06
14	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	16,736,195	23,086,605	16,736,195	23,086,605	16,900,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	28.01	37.44	28.01	37.44	28.21
	- Percentage of shares (as a % of the total share capital of the company)	11.16	15.39	11.16	15.39	11.27
	b) Non-encumbered					
	- Number of shares	43,007,423	38,576,183	43,007,423	38,576,183	43,007,423
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	71.99	62.56	71.99	62.56	71.79
	- Percentage of shares (as a % of the total share capital of the company)	28.67	25.72	28.67	25.72	28.67

Notes:-

<b>1 STATEMENT OF ASSETS AND LIABILITIES</b>		
	<b>Rs in lacs</b>	<b>Rs in lacs</b>
Particulars	As at 30.09.2011 (Unaudited)	As at 30.09.2010 (Unaudited)
<b>SHAREHOLDERS' FUNDS</b>		
(a) Capital	15,000.78	15,000.78
(b) Reserves and Surplus	72,789.85	68,607.48
<b>LOAN FUNDS</b>	290,024.74	272,682.13
<b>TOTAL</b>	<b>377,815.37</b>	<b>356,290.39</b>
<b>FIXED ASSETS (NET)</b>	126,418.68	261,315.23
<b>INVESTMENTS</b>	2,832.19	2,732.16
<b>FINANCE LEASE RECEIVABLE (NET)</b>	193,729.66	29,589.74
<b>FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE (REFER NOTE 3 b)</b>	5,946.33	(542.68)
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
(a) Inventories	735.09	1,267.84
(b) Sundry debtors	6,049.51	11,090.00
(c) Cash and Bank Balances	2,349.15	4,098.48
(d) Other Current Assets	8,133.84	-
(e) Loans and Advances	66,100.43	65,475.84
<b>TOTAL</b>	<b>83,368.02</b>	<b>81,932.16</b>
<b>LESS :- CURRENT LIABILITIES AND PROVISIONS</b>		
(a) Liabilities	34,174.10	15,904.29
(b) Provisions	305.41	2,831.93
	<b>34,479.51</b>	<b>18,736.22</b>
<b>NET CURRENT ASSETS</b>	<b>48,888.51</b>	<b>63,195.94</b>
<b>TOTAL</b>	<b>377,815.37</b>	<b>356,290.39</b>

- 2 During the quarter, Varun Gas Infrastructure Limited, a 100% subsidiary of the company, acquired one LPG Carrier.
- 3 (a) Exchange gain of Rs 16,006.26 lacs during the quarter, is due to the net exchange gain on revaluation of short term and long term foreign  
(b) An exchange loss of Rs 5,946.33 lacs on revaluation of long term foreign currency liability is carried forward for amortising over subsequent two  
Above mentioned accounting treatment is in conformity with Accounting Standard 11 (Revised) issued by The Institute of Chartered Accountant of
- 4 Other income includes interest on finance lease receivable, interest on loans given and management fees earned in respect of ships sold on BBCD
- 5 Due to uncertain global freight market, significant fluctuations in exchange rate of Rupee vis-à-vis US Dollar, in which freight rates are generally
- 6 There were no investor complaints pending as on June 30, 2011. 66 investor complaints were received during the quarter and 66 complaints
- 7 The Company is engaged primarily in shipping business and there are no separate reportable segments as per Accounting Standard 17.
- 8 Figures for the previous accounting periods have been regrouped wherever necessary.
- 9 The above results have been reviewed by Audit Committee at its meeting held on November 14, 2011 and have been approved by the Board of

**For VARUN SHIPPING COMPANY LIMITED**

**ARUN MEHTA**  
Chairman & Managing Director

Place : Mumbai

Date : November 14, 2011