



VARUN SHIPPING COMPANY LIMITED

PRESS RELEASE

**VARUN SHIPPING'S SIX MONTHS' PROFIT AFTER TAX AT
Rs.184.47 CRORES**

DECLARES INTERIM DIVIDEND OF 15 PER CENT

Varun Shippings profit after tax for six months ended 30th September, 2007 was Rs.184.47 crores as against Rs.69.11 crores for the corresponding six monthly period in the previous year. Profit after tax (PAT) for the quarter ended 30th September, 2007 was Rs.57.65 crores as compared to PAT of Rs.45.53 crores for the corresponding quarter in the previous year.

Company's freight and charter hire income for six months ended 30th September, 2007 was Rs.394.93 crores as compared to Rs.317.82 crores for the corresponding six months in the previous year. Company's freight and charter hire income for the quarter ended 30th September, 2007 was Rs.201.43 crores as compared to Rs.170.56 crores for the corresponding quarter in the previous year. Revised Accounting Standard 11 has been made applicable with effect from 1st April, 2007, which has resulted in foreign exchange gain on foreign currency loans of Rs.42.28 crores for the quarter ended 30th September, 2007.

Earnings Per Share (EPS) (diluted) for the six months ended 30th September, 2007 was Rs.12.50 as compared to Rs.5.81 for the corresponding period in the previous year.

Increase in freight and charter hire income was mainly due to acquisition of additional vessels particularly those in the offshore sector.

The company has declared interim dividend of 15 per cent for the current financial year ending on 31st March, 2008

30th October, 2007

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