

ESSAR SHIPPING LIMITED

(Formerly known as Essar Ports & Terminals Limited)

Regd. Office: Administrative Bldg., Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, Dist. Jamnagar 361305
email id: esl.secretarial@essar.com website: www.essar.com

Head Office: Essar House, 11, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034

Unaudited Consolidated Financial Results for the quarter ended 30th June 2011.

| Sl.No. | Particulars | ₹ in crore | |
|--------|---|-----------------------------|--|
| | | Quarter ended 30.06.2011 | Period from 16.04.10 to 31.03.2011 |
| | | (Unaudited) | (Audited) |
| 1 | Income | | |
| | a) Net Sales / Income from Operations | | |
| | i) Fleet operating and chartering | 299.54 | 659.84 |
| | ii) Logistics services | 276.77 | 448.11 |
| | iii) Oilfields services | 80.77 | 167.99 |
| | b) Other Operating Income | | |
| | Profit on Sale of Fleet | 4.12 | 38.47 |
| | Total Operating Income | 661.20 | 1,314.41 |
| 2 | Expenditure | | |
| | a) Direct Voyage and Logistics Services | 398.66 | 795.76 |
| | b) Other Standing Costs | 37.96 | 78.63 |
| | c) Employee Costs | 42.49 | 92.98 |
| | d) Depreciation | 78.73 | 162.23 |
| | e) Other Expenditure | 15.21 | 38.44 |
| | Total Operating Expenses | 573.05 | 1,168.04 |
| 3 | Profit from Operations before Other Income, Interest | 88.15 | 146.37 |
| 4 | Other Income | 9.11 | 28.39 |
| 5 | Profit before Interest and Tax | 97.26 | 174.76 |
| 6 | Interest | 75.73 | 139.37 |
| 7 | Profit before Tax | 21.53 | 35.39 |
| 8 | Tax Expense | 2.70 | 2.09 |
| 9 | Profit for the period | 18.83 | 33.30 |
| 10 | a) Shares pending allotment 20,52,27,768 nos.(Face Value of ₹10/- each) | - | 205.23 |
| | b) Share capital 20,52,27,768 nos. (Face value of ₹10/- each) (allotted on 21st May, 2011) | 205.23 | - |
| 11 | Reserves | | 5,036.48 |
| 12 | a) Earnings per Share (EPS) Basic (in ₹) (*not annualised) | 2.04* | - |
| | b) Diluted (in ₹) (*not annualised) | 0.75* | 1.37 |
| 13 | Public Shareholding | | |
| | - Number of Shares | 33,434,688 | - |
| | - Percentage of Shareholding | 16.29 | - |
| 14 | Promoters and Promoter group | | |
| | a) Pledged/Encumbered | | |
| | - Number of shares | 21,406,365 | - |
| | - Percentage of shares to the total shareholding of promoter and promoter group | 12.46 | - |
| | - Percentage of shares to the total share capital of the Company | 10.43 | - |
| | b) Non-encumbered | | |
| | - Number of shares | 150,386,715 | - |
| | - Percentage of shares to the total shareholding of promoter and promoter group | 87.54 | - |
| | - Percentage of shares to the total share capital of Company | 73.28 | - |
| | NOTES: | | |
| 1 | a) The Composite Scheme of Arrangement for demerger of shipping, oilfields and logistics business of Essar Ports Limited (formerly known as Essar Shipping Ports & Logistics Limited) into Essar Shipping Limited became effective on May 9, 2011 and all assets and liabilities pertaining to shipping, logistics and oilfields business stood transferred to Essar Shipping Limited from the appointed date of 1st October 2010, accordingly there are no comparative figures available for quarter ended 30th June 2011. | | |
| | b) The Company did not have any operations in the corresponding quarter of the previous year and hence comparative figures for the quarter have not been provided. | | |
| 2 | The Company has acquired a 152,065 DWT capesize dry bulk carrier on 27th July 2011. | | |
| 3 | During the quarter, the Company's subsidiary has sold two floating cranes and a barge unloader. | | |
| 4 | Pursuant to the notification dated 11th May 2011 from the Ministry of Corporate Affairs extending the option under Accounting Standard 11 until 31st March 2012, the Company has capitalised the net exchange loss relating to Fixed Assets during the quarter amounting to ₹1.91 crore. | | |
| 5 | Tax expense for the period includes income tax (MAT), tonnage tax and deferred tax. | | |
| 6 | A limited review of the above financial results has been carried out by the Statutory Auditors. | | |
| 7 | Information on investor complaints for the quarter ended 30th June 2011 is as under : Pending at the beginning of the quarter: Nil; Received during the quarter:51 (including 35 relating to listing of shares) ; Disposed during the quarter:51; Pending at the end of the quarter: Nil. | | |
| 8 | The Company has filed listing application with the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited and has received in-principle approval from National Stock Exchange of India Limited on June 20, 2011 subject to further approval from Securities & Exchange Board of India under Rule 19(2)(b) of Securities Contracts (Regulations) Rules. | | |
| 9 | The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 9th August, 2011. | | |
| 10 | As per Clause 41 of the Listing Agreement, the standalone results are available on the Company's website. www.essar.com | | |

For and on behalf of the Board

A. R. Ramakrishnan
Managing Director

Place: Mumbai
Date: 9th August, 2011

Unaudited Consolidated Segment information for the quarter ended 30th June 2011

₹ in crore)

| Particulars | Quarter ended 30.06.2011 | Period from 16.04.10 to 31.03.2011 |
|--|-----------------------------|--|
| | <i>(Unaudited)</i> | <i>(Audited)</i> |
| Segment revenue | | |
| Operating Income | | |
| Fleet operating and chartering | 304.47 | 745.26 |
| Logistics services (including surface transport services) | 280.69 | 448.11 |
| Oilfields services | 80.77 | 167.99 |
| Total | 665.93 | 1,361.36 |
| Less : Inter segment revenue | (4.73) | (46.95) |
| Net operating income (A) | 661.20 | 1,314.41 |
| Other income | | |
| Unallocated | 30.71 | 63.72 |
| Less: Inter segment income | (21.60) | (35.33) |
| Net other income (B) | 9.11 | 28.39 |
| Total income (A + B) | 670.31 | 1,342.80 |
| Segment results | | |
| Fleet operating and chartering | 81.90 | 151.78 |
| Logistic services (including surface transport services) * | 4.59 | - |
| Oilfields services | 1.66 | (5.41) |
| Unallocated | 9.11 | 28.39 |
| * amount is less than ₹ one lakh | | |
| Profit from operation before interest and finance charges | 97.26 | 174.76 |
| Less: Unallocable interest and Finance expense | (75.73) | (139.37) |
| Profit before tax | 21.53 | 35.39 |
| Less: Income tax | (2.70) | (2.09) |
| Profit after tax | 18.83 | 33.30 |
| Capital employed (segment assets - segment current liabilities) | | |
| Fleet operating and chartering | 1,966.13 | 2,299.02 |
| Surface transport services | 315.69 | 18.25 |
| Oilfields services (including Capital work in progress ₹1492.10 crore) | 3,625.16 | 3,582.01 |
| Unallocated | 1,184.57 | 725.36 |
| Total | 7,091.55 | 6,624.64 |

For and on behalf of the Board

A. R. Ramakrishnan
Managing Director

Place: Mumbai
Date: 9th August, 2011