

**AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
CHOWGULE STEAMSHIPS LIMITED ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS**

We have reviewed the accompanying statement of Unaudited Financial Results of **CHOWGULE STEAMSHIPS LIMITED** ("the Company") for the three months period ended 30th June, 2012 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review. The information relating to "Unaudited Financial Highlights of Chowgule Steamship Overseas Limited for the three months period ended 30th June, 2012" contained in Note No. 7 to the Statement, has not been reviewed by us.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, (Review of Interim Financial Information Performed by the Independent Auditor of the Entity) issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the stock exchange, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreement and the particulars relating to undisputed investor complaints from the details furnished by the Registrar.

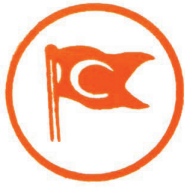
For **S. B. BILLIMORIA & CO**
Chartered Accountants
(Registration No. 101496W)



Z. F. Billimoria
Partner

Membership No. 42791

Goa, 6th July, 2012



CHOWGULE STEAMSHIPS LTD.

(Regd. Office : Mormugao Harbour, Goa, India)

Bakhtawar, 4th Floor, Nariman Point, Mumbai - 400 021. India.

Tel.: +91 22 6620 2500 Fax : +91 22 6620 2545

email : csl@chowgule.co.in

UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS PERIOD ENDED ON 30TH JUNE, 2012

₹ in Lakhs

| PARTICULARS | THREE MONTHS | THREE MONTHS | THREE MONTHS | YEAR ENDED |
|---|-------------------------|------------------------|-------------------------|------------------------|
| | 30-Jun-12 (Reviewed) | 31-Mar-12 (Audited) | 30-Jun-11 (Reviewed) | 31-Mar-12 (Audited) |
| 1 a) Net Sales / Income from Operations | 395.04 | 405.08 | 604.33 | 2,270.83 |
| b) Other Operating Income | - | (7.20) | 19.83 | 25.04 |
| Total Income | 395.04 | 397.88 | 624.16 | 2,295.87 |
| 2 Expenditure: | | | | |
| a) Manning Cost | 111.82 | 113.68 | 111.66 | 446.34 |
| b) Employees Cost | 40.63 | 55.65 | 30.99 | 149.56 |
| c) Fuel oil and lubricants consumption | 41.79 | 61.94 | (57.62) | 37.84 |
| d) Stores and spare parts consumption | 64.00 | 31.76 | 68.97 | 162.48 |
| e) Insurance | 29.93 | 27.33 | 24.61 | 101.91 |
| f) Repairs and Survey Expenses | 26.67 | 73.26 | 48.10 | 155.14 |
| g) Brokerage, Commission & agency fees | 21.05 | 24.31 | 38.00 | 142.62 |
| h) Depreciation (Refer Note No. 3) | 24.98 | 253.78 | 254.91 | 1,021.97 |
| i) Net exchange difference (Gain)/Loss | (351.41) | 69.12 | (14.48) | (181.88) |
| j) Other Expenditure | 82.95 | 132.74 | 88.40 | 406.14 |
| Total Expenditure | 92.41 | 843.57 | 593.54 | 2,442.12 |
| 3 Profit / (Loss) from Operations before Other Income, Interest and exceptional items(1- 2) | 302.63 | (445.69) | 30.62 | (146.25) |
| 4 Other Income | 115.16 | 172.51 | 73.58 | 442.53 |
| 5 Profit / (Loss) before interest and exceptional items (3+4) | 417.79 | (273.18) | 104.20 | 296.28 |
| 6 Interest | 16.71 | 19.16 | 16.10 | 74.51 |
| 7 Profit / (Loss) after interest but before exceptional items (5-6) | 401.08 | (292.34) | 88.10 | 221.77 |
| 8 Exceptional items | | | | |
| a) Profit on Sale of Land | 269.30 | - | - | - |
| b) Impairment (Refer Note No. 3) | - | (2,600.11) | - | (2,600.11) |
| c) Provision for doubtful debts | - | - | - | - |
| d) Exchange fluctuation (Refer Note No. 4) | (352.95) | 263.05 | (0.95) | (415.35) |
| Total | (83.65) | (2,337.06) | (0.95) | (3,015.46) |
| 9 Profit / (Loss) from ordinary activities before tax (7+8) | 317.43 | (2,629.40) | 87.15 | (2,793.69) |
| 10 Tax Expense | | | | |
| a) Provision for current tax | (94.00) | (134.00) | (96.82) | (314.00) |
| b) (Provision) / Reversal for deferred tax | (21.00) | 1,096.96 | 89.99 | 1,446.77 |
| Total | (115.00) | 962.96 | (6.83) | 1,132.77 |
| 11 Net Profit / (Loss) after Taxes(9-10) | 202.43 | (1,666.44) | 80.32 | (1,660.92) |
| 12 Paid-up Equity Share Capital (Face value per equity share of ₹ 10 each) | 3,630.84 | 3,630.84 | 3,630.84 | 3,630.84 |
| 13 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year | - | - | - | 11,135.65 |
| 14 Basic and Diluted Earnings per Share (EPS)(Rs.) (Non Annualised) (For March, 2012 - Annualised) | 0.56 | (4.59) | 0.22 | (4.57) |
| 15 Public Shareholding: | | | | |
| - Number of Shares | 11,704,995 | 11,704,995 | 11,704,995 | 11,704,995 |
| - Percentage of Shareholding | 32.24 | 32.24 | 32.24 | 32.24 |
| 16 Promoters and Promoter Group Shareholding | | | | |
| a) Pledged/Encumbered | | | | |
| - Number of shares | Nil | Nil | Nil | Nil |
| Percentage of shares (as a % of the total shareholding of promoter and promoter group) | Nil | Nil | Nil | Nil |
| Percentage of shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | |
| - Number of shares | 24,603,430 | 24,603,430 | 24,603,430 | 24,603,430 |
| Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% | 100.00% | 100.00% |
| Percentage of shares (as a % of the total share capital of the Company) | 67.76% | 67.76% | 67.76% | 67.76% |



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Notes:-

- 1 The Company has only one business segment viz. Shipping.
- 2 There were no investor complaints pending at the beginning of the quarter. During the quarter, the Company received 19 investor complaints which were all redressed and there were no complaints pending as on 30th June, 2012.
- 3 Figures for the period ended 31st March, 2012 include an exceptional item relating to the loss on account of impairment in the value of the vessel. Accordingly, depreciation of the vessel for the quarter ended 30th June, 2012 is based on its revised carrying value after considering the said impairment.
- 4 Exchange fluctuation represents exchange difference arising on restatement of foreign currency borrowing.
- 5 Figures for the previous periods have been regrouped wherever necessary.
- 6 The above results as reviewed by the Audit Committee were approved and taken on record by the Board of Directors of the Company at its meeting held on 6th July, 2012.
- 7 The financial highlights of Chowgule Steamships Overseas Limited. (wholly owned subsidiary of Chowgule Steamships Limited) together with its subsidiaries for the period are as under. The highlights have been published to provide additional information and the same are not subjected to Limited Review by the Auditors.

UNAUDITED FINANCIAL HIGHLIGHTS OF CHOWGULE STEAMSHIPS OVERSEAS LTD FOR

| | USD in '000 | | | |
|--|-----------------|-----------|-----------|------------|
| | PERIOD ENDED ON | | | YEAR ENDED |
| | 30-Jun-12 | 31-Mar-12 | 30-Jun-11 | 31-Mar-12 |
| TOTAL REVENUE | 3,588 | 3,186 | 3,588 | 13,060 |
| PROFIT BEFORE INTEREST, DEPRECIATION AND TAX | 1,301 | 594 | 1,831 | 3,947 |
| NET PROFIT/(LOSS) | 101 | (15,573) | 471 | (16,675) |
| PAID UP SHARE CAPITAL | 9,200 | 9,200 | 9,200 | 9,200 |

Currency Equivalent 1USD = INR 56.13

In terms of our report attached.

For **S.B.BILLIMORIA & CO.**

Chartered Accountants

Z. F. Billimoria

Partner

Place: GOA,

Dated: JULY 6, 2012

For Chowgule Steamships Limited

Mangesh Sawant
Executive Director & CFO