

ESSAR SHIPPING 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
Statement of Consolidated Audited Financial Results for the year ended 31st March 2013.

PART I		₹ in crore				
		Unaudited quarter ended			Audited year ended	
		31.03.2013 (refer note no 11)	31.12.2012	31.03.2012	31.03.2013	31.03.2012
Sl.No.	Particulars					
1	a) Income from operations					
	i) Fleet operating and chartering	364.31	368.90	364.43	1,531.55	1,253.65
	ii) Logistics services	221.85	240.85	302.17	1,011.49	1,131.25
	iii) Oilfields services	141.25	165.74	145.68	633.60	397.13
	b) Other operating income including profit on sale of fleet (net)	1.67	6.37	14.13	32.55	19.55
	Total income from operations	729.08	781.86	826.41	3,209.19	2,801.58
2	Expenses					
	a) Direct operating expenses	461.58	455.67	460.70	1,912.44	1,656.23
	b) Dry docking	4.30	-	-	24.30	12.84
	c) Standing costs	52.77	48.55	48.72	203.70	148.29
	d) Employee benefits expense	63.34	52.57	56.61	222.82	189.89
	e) Depreciation (refer note no.6)	69.71	100.34	95.82	369.31	362.94
	f) Other expenses	27.15	14.19	30.91	69.76	94.76
	Total operating expenses	678.85	671.32	692.76	2,802.33	2,464.95
3	Profit before other income, finance costs and exceptional item	50.23	110.54	133.65	406.86	336.63
4	Other income	53.21	10.80	18.80	88.89	52.93
5	Profit before finance costs and exceptional item	103.44	121.34	152.45	495.75	389.56
6	Finance costs	93.01	91.45	90.91	365.72	329.43
7	Profit before exceptional item	10.43	29.89	61.54	130.03	60.13
8	Exceptional item (refer note 5)	-	-	-	(50.20)	-
9	Profit before tax	10.43	29.89	61.54	79.83	60.13
10	Tax expense	10.38	12.04	6.56	44.03	23.30
11	Profit for the period /year	0.05	17.85	54.98	35.80	36.83
12	Paid-up equity share capital (face value of ₹10/- each)	205.23	205.23	205.23	205.23	205.23
13	Reserves				6,562.91	5,290.48
14	Earnings per share (EPS) (*not annualised)					
	(a) Basic (in ₹)	*0.00	*0.87	*2.68	1.74	1.79
	(b) Diluted (in ₹)	*0.00	*0.77	*2.68	1.74	1.79
15	Paid-up debt capital				700.00	700.00
16	Debenture redemption reserve				55.00	55.00
17	Debt service coverage ratio **				1.28	1.24
18	Interest service coverage ratio ***				2.37	2.28
	** DSCR= Earnings before depreciation, finance costs, tax and exceptional items/ [Finance cost (net of interest capitalised)+ principal repayments net of margin deposits]					
	*** ISCR= Earnings before depreciation, finance costs, tax and exceptional items/ Finance cost (net of interest capitalised)					
PART II						
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	3,34,34,191	3,34,34,191	3,34,34,191	3,34,34,191	3,34,34,191
	- Percentage of shareholding	16.29	16.29	16.29	16.29	16.29
2	Promoters and Promoter group shareholding					
	a) Pledged /Encumbered					
	- Number of shares	17,17,25,462	17,17,25,462	16,49,15,135	17,17,25,462	16,49,15,135
	- Percentage of shares to the total shareholding of promoter and promoter group	99.96	99.96	96.00	99.96	96.00
	- Percentage of shares to the total share capital of the Company	83.68	83.68	80.36	83.68	80.36
	b) Non-encumbered					
	- Number of shares	68,115	68,115	68,78,442	68,115	68,78,442
	- Percentage of shares to the total shareholding of promoter and promoter group	0.04	0.04	4.00	0.04	4.00
	- Percentage of shares to the total share capital of Company	0.03	0.03	3.35	0.03	3.35
B	INVESTOR COMPLAINTS	Quarter ended 31.03.2013				
	Pending at the beginning of the quarter	-				
	Received during the quarter	12				
	Disposed off during the quarter	12				
	Remaining unresolved at the end of the quarter	-				



NOTES:

1 Statement of consolidated assets and liabilities as at 31st March, 2013

Particulars	As at 31.03.2013 ₹ in crore	As at 31.03.2012 ₹ in crore
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share capital	205.23	205.23
(b) Reserves and surplus (refer note no.7)	6,562.91	5,290.48
	6,768.14	5,495.71
Non-current liabilities		
(a) Long-term borrowings	4,668.25	4,829.86
(b) Deferred tax liabilities (Net)	28.11	27.30
(c) Other long term liabilities	15.42	20.06
	4,711.78	4,877.22
Current liabilities		
(a) Short-term borrowings	175.24	293.62
(b) Trade payables	746.45	577.52
(c) Other current liabilities	906.97	647.31
(d) Short-term provisions	115.51	127.46
	1,944.17	1,645.91
	13,424.09	12,018.84
TOTAL ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	4,403.55	4,434.17
(ii) Capital work-in-progress	1,736.28	1,791.37
(b) Goodwill on consolidation (refer note no.7)	4,976.28	3,658.41
(c) Non-current investments*	*0.00	*0.00
(d) Long-term loans and advances	233.08	84.37
(e) Other non-current assets	35.52	40.77
	11,384.71	10,009.09
Current assets		
(a) Current investments	0.10	-
(b) Inventories	152.82	150.25
(c) Trade receivables	396.14	608.56
(d) Cash and bank balances	67.81	226.73
(e) Short-term loans and advances	1,319.54	914.62
(f) Other current assets	102.97	109.59
	2,039.38	2,009.75
	13,424.09	12,018.84
(* amount less than ₹ 1 lakh)		
TOTAL		
	13,424.09	12,018.84

- 2 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 28th May, 2013.
- 3 The Consolidated financial results include the results of two Indian subsidiaries and three overseas subsidiaries.
- 4 Pursuant to the notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs for Accounting Standard 11, the Company and its subsidiaries have during year ended 31st March, 2013 capitalised net exchange loss of ₹ 75.87 (previous year ₹ 167.57) crore on long term foreign currency borrowings relating to acquisition of depreciable assets and net exchange loss of ₹1.44 (previous year NIL) crore on long term monetary items has been transferred to "Foreign Currency Monetary Item Translation Difference Account".
- 5 Effective 1st July 2011, the Company has applied hedge accounting principles (in respect of forward exchange contracts) as set out in Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India. During the year, on occurrence of the designated highly probable forecasted transactions and expiry of such forward contracts, foreign exchange loss of ₹ 50.20 crore (previous year Nil), has been transferred from the Hedging Reserve Account to Consolidated Statement of Profit and Loss.
- 6 Depreciation for the quarter and year ended March 31, 2013 is net of reversal of excess depreciation of prior periods amounting to ₹ 19.23 crore, due to readjustment of carrying costs of certain assets.
- 7 As at March 31, 2013, the goodwill on consolidation relating to non-integral foreign operation has been translated at the closing exchange rate in accordance with requirement of Accounting Standard (AS) 11, The Effects of Change in Foreign Exchange Rates, with corresponding cumulative effect in Foreign Currency Translation Reserve of ₹1,317.87 crore. This translation adjustment arises on consolidation which has however no effect on Consolidated Statement of Profit and Loss.
- 8 36,65,270 stock options granted under the Essar Shipping Employees Stock Option Scheme - 2011 are outstanding as on 31st March 2013.
- 9 Tax expense for the period includes income tax (MAT), tonnage tax and deferred tax.
- 10 The figures of the previous period(s) / year have been regrouped /reclassified wherever necessary.
- 11 The figure of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 12 As per Clause 41 of the Listing Agreement, the standalone financials are available on the Company's website: www.essar.com

For and on behalf of the Board

Ramakrishnan
A. R. Ramakrishnan
Managing Director



Place: Mumbai
Date: 28th May, 2013

Consolidated segment information for the year ended 31st March 2013

Particulars	₹ in crore				
	Unaudited quarter ended			Audited year ended	
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012
Segment revenue					
Operating Income					
Fleet operating and chartering	370.28	377.27	385.57	1,576.81	1,288.24
Logistics services	222.94	240.92	297.74	1,014.43	1,131.29
Oilfields services	151.82	177.50	150.30	676.35	401.75
Total	745.04	795.69	833.61	3,267.59	2,821.28
Less: Inter segment revenue	(15.96)	(13.83)	(7.20)	(58.40)	(19.70)
Net operating income	729.08	781.86	826.41	3,209.19	2,801.58
Segment results					
Fleet operating and chartering	16.10	42.45	85.48	167.40	267.56
Logistics services	(3.65)	11.45	0.41	24.54	29.07
Oilfields services	37.78	56.64	47.76	214.92	40.00
Profit before other income, finance cost and exceptional item	50.23	110.54	133.65	406.86	336.63
Add: Other income	53.21	10.80	18.80	88.89	52.93
Less: Unallocable interest and finance costs	(93.01)	(91.45)	(90.91)	(365.72)	(329.43)
Profit before exceptional item	10.43	29.89	61.54	130.03	60.13
Less: Exceptional item (refer note 5)	-	-	-	(50.20)	-
Profit before tax	10.43	29.89	61.54	79.83	60.13
Less: Income tax	(10.38)	(12.04)	(6.56)	(44.03)	(23.30)
Profit for the period /year	0.05	17.85	54.98	35.80	36.83
Capital employed (segment assets - segment current liabilities)					
Fleet operating and chartering	1,981.07	2,138.13	2,162.27	1,981.07	2,162.27
Logistics services	27.57	41.38	409.31	27.57	409.31
Oilfields services	9,038.03	8,189.47	9,067.84	9,038.03	9,067.84
Unallocated	1,016.95	1,012.15	811.73	1,016.95	811.73
Total	12,063.62	11,381.13	12,451.15	12,063.62	12,451.15

For and on behalf of the Board



A. R. Ramakrishnan
A. R. Ramakrishnan
Managing Director

Place: Mumbai
Date: 28th May, 2013

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Head Office: Essar House, 11, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034
Statement of Standalone Audited Financial Results for the year ended 31st March 2013.

PART I		₹ in crore				
Sl.No.	Particulars	Unaudited quarter ended			Audited year ended	
		31.03.2013 (refer note no 8)	31.12.2012	31.03.2012	31.03.2013	31.03.2012
1	a) Income from operations					
	Fleet operating and chartering earnings	354.52	357.40	360.62	1,461.48	1,231.92
	b) Other operating income including profit on sale of fleet (net)	0.29	3.91	13.23	26.84	13.43
	Total Income from operations	354.81	361.31	373.85	1,488.32	1,245.35
2	Expenses					
	a) Direct voyage	241.97	228.56	182.61	931.41	633.54
	b) Dry docking	4.30	-	12.84	24.29	12.84
	c) Standing costs	16.34	12.25	10.54	60.56	41.64
	d) Employee benefits expense	32.70	24.12	30.04	110.90	90.73
	e) Depreciation	32.25	35.19	33.39	139.01	136.36
	f) Other expenses	7.66	5.14	5.51	22.66	25.38
	Total expenses	335.22	305.26	274.93	1,288.83	940.49
3	Profit before other income, finance costs and exceptional item	19.59	56.05	98.92	199.49	304.86
4	Other income	20.98	12.71	14.68	67.92	59.51
5	Profit before finance costs and exceptional item	40.57	68.76	113.60	267.41	364.37
6	Finance costs	74.01	78.47	70.31	307.26	266.90
7	(Loss)/ Profit before exceptional item	(33.44)	(9.71)	43.29	(39.85)	97.47
8	Exceptional item (refer note 5)	-	-	-	(50.20)	-
9	(Loss)/ Profit before tax	(33.44)	(9.71)	43.29	(90.05)	97.47
10	Tax expense	0.90	0.74	0.45	3.20	1.65
11	(Loss)/ Profit for the period /year	(34.34)	(10.45)	42.84	(93.25)	95.82
12	Paid-up equity share capital (face value of ₹10/- each)	205.23	205.23	205.23	205.23	205.23
13	Reserves				4,943.01	5,005.65
14	Earnings per share (EPS) (*not annualised)					
	(a) Basic (in ₹)	*(1.67)	*(0.51)	*2.09	(4.54)	4.67
	(b) Diluted (in ₹)	*(1.67)	*(0.51)	*2.09	(4.54)	4.67
15	Paid-up debt capital				700.00	700.00
16	Debenture redemption reserve				55.00	55.00
17	Debt service coverage ratio **				0.84	1.27
18	Interest service coverage ratio ***				1.32	1.88
	** DSCR= Earnings before depreciation, finance costs, tax and exceptional items/ [Finance cost (net of interest capitalised)+principal repayments]					
	*** ISCR= Earnings before depreciation, finance costs, tax and exceptional items/ Finance cost (net of interest capitalised)					
PART II						
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	3,34,34,191	3,34,34,191	3,34,34,191	3,34,34,191	3,34,34,191
	- Percentage of shareholding	16.29	16.29	16.29	16.29	16.29
2	Promoters and Promoter group shareholding					
	a) Pledged/Encumbered					
	- Number of shares	17,17,25,462	17,17,25,462	16,49,15,135	17,17,25,462	16,49,15,135
	- Percentage of shares to the total shareholding of promoter and promoter group	99.96	99.96	96.00	99.96	96.00
	- Percentage of shares to the total share capital of the Company	83.68	83.68	80.36	83.68	80.36
	b) Non-encumbered					
	- Number of shares	68,115	68,115	68,78,442	68,115	68,78,442
	- Percentage of shares to the total shareholding of promoter and promoter group	0.04	0.04	4.00	0.04	4.00
	- Percentage of shares to the total share capital of Company	0.03	0.03	3.35	0.03	3.35
B	INVESTOR COMPLAINTS	Quarter ended 31.03.2013				
	Pending at the beginning of the quarter	-				
	Received during the quarter	12				
	Disposed off during the quarter	12				
	Remaining unresolved at the end of the quarter	-				



NOTES:

1 Statement of assets and liabilities as at 31st March, 2013

Particulars	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share capital	205.23	205.23
(b) Reserves and surplus	4,943.01	5,005.65
	5,148.24	5,210.88
Non-current liabilities		
(a) Long-term borrowings	3,185.67	3,212.10
(b) Other long term liabilities	9.00	13.50
	3,194.67	3,225.60
Current liabilities		
(a) Short-term borrowings	135.72	233.75
(b) Trade payables	229.97	131.87
(c) Other current liabilities	364.28	224.87
(d) Short-term provisions	8.55	37.44
	738.52	627.93
TOTAL	9,081.43	9,064.41
ASSETS		
Non-current assets		
(a) Fixed assets		
Tangible assets	1,745.58	1,867.04
(b) Non-current investments (in Subsidiaries)	6,448.59	6,323.92
(c) Long-term loans and advances	477.14	471.53
(d) Other non-current assets	13.93	15.89
	8,685.24	8,678.38
Current assets		
(a) Current investments	0.10	-
(b) Inventories	37.31	40.89
(c) Trade receivables	61.14	119.34
(d) Cash and cash equivalents	15.93	19.94
(e) Short-term loans and advances	219.19	181.32
(f) Other current assets	62.52	24.54
	396.19	386.03
TOTAL	9,081.43	9,064.41

- 2 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 28th May, 2013.
- 3 The Company has only one reportable business segment of fleet operating and chartering.
- 4 Pursuant to the notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs for Accounting Standard 11, the Company has during year ended 31st March, 2013 capitalised net exchange loss of ₹ 69.78 (previous year ₹ 152.74) crore on long term foreign currency borrowings relating to acquisition of depreciable assets and net exchange loss of ₹ 1.44 (previous year net gain ₹ 3.39) crore on long term monetary items has been transferred to "Foreign Currency Monetary Item Translation Difference Account".
- 5 Effective 1st July 2011, the Company has applied hedge accounting principles (in respect of forward exchange contracts) as set out in Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India. During the year, on occurrence of the designated highly probable forecasted transactions and expiry of such forward contracts, foreign exchange loss of ₹ 50.20 crore (previous year Nil), has been transferred from the Hedging Reserve Account to Statement of Profit and Loss.
- 6 36,65,270 stock options granted under the Essar Shipping Employees Stock Option Scheme - 2011 are outstanding as on 31st March 2013.
- 7 Tax expense for the period represents tonnage tax.
- 8 The figure of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 9 The figures of the previous period(s) /year have been regrouped /reclassified wherever necessary.

For and on behalf of the Board

A. R. Ramakrishnan
A. R. Ramakrishnan
Managing Director



Place: Mumbai
Date: 28th May, 2013