

**VARUN SHIPPING COMPANY LIMITED**

Our Ref:: 2750

4th February, 2013

National Stock Exchange of India Limited,
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
MUMBAI - 400 051.
Fax No.26598237/8

SCRIP CODE NO.VARUNSHIP

Dear Sirs,

Re : Unaudited financial results for the quarter ended 31st December, 2012

In terms of Clause 41 of the Listing Agreement, we enclose herewith the following documents:

1. Unaudited financial results for the quarter ended 31st December, 2012.
2. Limited Review Report of M/s.Sorab S. Engineer & Co., auditors of the company, on the unaudited financial results for quarter ended 31st December, 2012.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
For Varun Shipping Company Limited

Manali Parekh
Vice President - Corporate Affairs,
Secretarial & Legal and Company Secretary

Encl: as above

Registered Office:

Laxmi Building, 6, Shoorji Vallabhdas Marg,

Ballard Estate, Mumbai-400 001, India.

Website: www.varunship.com

Tel. : (91-22) 6635 0100 - 109

Fax : (91-22) 6635 0274 / 280





VARUN SHIPPING COMPANY LIMITED

STATEMENT OF STANDALONE RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2012

PART - I

₹ In lacs

Sr. No	PARTICULARS	Standalone Quarter ended 31.12.2012 Unaudited	Standalone Quarter ended 30.09.2012 Unaudited	Standalone Quarter ended 31.12.2011 Unaudited	Standalone 18 months ended 30.09.2012 Audited
1	Income from operations	5,629.32	8,581.55	7,895.84	46,560.23
	Freight & charter hire	0.84	-	-	13,862.88
	Profit on Sale of Ship(s) and other assets (Net)				
	Total Income	5,630.16	8,581.55	7,895.84	60,412.91
2	Expenses				
a)	Employee cost	1,503.13	1,781.41	1,808.67	10,653.58
b)	Bunker cost	1,012.18	1,455.17	749.74	5,257.08
c)	Port expenses	158.85	172.87	277.65	1,060.08
d)	Stores, Lubes & Victualling	198.26	311.43	325.99	1,942.40
e)	Repairs & Maintenance including cost of spares and Survey	161.89	49.42	1,080.13	3,786.08
f)	Depreciation	1,883.47	1,482.80	2,742.13	14,438.83
g)	Hire of inchartered ships	1,571.90	1,632.52	2,051.04	11,401.89
h)	Other expenditure	756.26	1,269.83	984.92	6,125.20
	Total	7,041.74	8,115.25	10,020.27	54,675.24
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(1,411.58)	466.30	(2,124.43)	5,737.67
4	Other Income	989.33	(444.85)	310.04	10,782.54
	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3 plus 4)	(422.25)	21.65	(1,814.39)	16,520.21
5	Finance Costs (net)	4,082.94	4,834.36	2,329.25	28,821.32
	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 minus 6)	(4,535.19)	(4,812.71)	(4,143.64)	(12,301.11)
7	Exceptional Items (Exchange gain / (loss) (Refer Note - 2)	3,137.11	(8,780.54)	12,393.21	16,073.77
8	Profit / (Loss) from Ordinary Activities before tax (7 minus 6)	(1,398.08)	(11,803.25)	8,249.57	3,772.66
10	Tax Expense				
	Current Tax	-	-	-	175.00
	(Excess)/short provision of income tax for prior years	-	-	-	(238.88)
11	Net Profit / (Loss) from Ordinary Activities after tax (9 minus 10)	(1,398.08)	(11,603.25)	8,249.57	3,836.54
12	Extraordinary Item (net of - tax expense)				-
13	Net Profit / (Loss) for the period (11 minus 12)	(1,398.08)	(11,603.25)	8,249.57	3,836.54
14	Share of Profit / (Loss) of associates				-
15	Minority Interest				-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 plus 14 plus 15)				
17	Paid-up equity share capital (Face value Rs.10/-)	15,000.78	15,000.78	15,000.78	15,000.78
18	Reserves excluding revaluation reserves				69,239.91
19	Earnings Per Share (EPS) (In Rs.)				
a)	Basic and diluted EPS before Extraordinary Items for the period, for the year to date and for the previous year (not annualized)	(0.93)	(7.74)	5.50	2.56
	Earnings Per Share (EPS) (In Rs.)				
b)	Basic and diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (not annualized)	(0.93)	(7.74)	5.50	2.56

PART - II

A	Particulars of Shareholding				
1	Public shareholding				
	- Number of shares	93,316,211	93,316,211	90,798,155	93,316,211
	- Percentage of shareholding	82.21	82.21	80.53	82.21
2	Promoters and Promoter Group Shareholding				
a)	Pledged/Encumbered				
	- Number of shares	23,300,000	15,200,000	18,202,195	15,200,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	41.10	26.81	27.38	26.81
	- Percentage of shares (as a % of the total share capital of the company)	15.63	10.13	10.80	10.13
b)	Non-Encumbered				
	- Number of shares	33,391,582	41,491,582	43,007,423	41,491,582
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	58.90	73.19	72.64	73.19
	- Percentage of shares (as a % of the total share capital of the company)	22.26	27.66	28.67	27.66

Particulars	3 Months Ended 31.12.2012
Investor Complaints	
Pending at the beginning of the quarter	-
Received during the quarter	22
Disposed off during the quarter	21
Remaining unresolved at the end of the quarter	1

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VARUN SHIPPING COMPANY LIMITED

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Notes:

- 1 The Board of Directors at its meeting held on 31st March 2013 had considered and approved the composite scheme of arrangement and amalgamation between Varun Shipping Company Limited, Varun Gas Infrastructure Limited, Varun Shipping and Industries Limited, Varun Global Private Limited, Varun Maritime Private Limited and Varun Resources Private Limited and their respective shareholders and creditors under the provisions of Sections 391 to 394 read together with Sections 100 to 103 and other applicable provisions of the Companies Act, 1956, so as to segregate shipping business, ship management and shipping investment business into separate entities ("Scheme"). The Company had filed an application with the Hon'ble Bombay High Court in November, 2012 for obtaining its approval. At the court convened meeting of the shareholders held on 8 January 2013, the Scheme has been approved with requisite majority of 97.1831% in number and 99.9996% in value, of the shareholders present at the said meeting and voting in person or by proxy or through its authorized representative. The Company has filed the petition before the Hon'ble Bombay High Court on 21 January 2013 for approving the Scheme.
- 2 Exchange gain of Rs. 3,137.11 lacs during the quarter, is due to the net exchange gain on revaluation of short term and long term foreign currency monetary assets and liabilities, on account of significant depreciation of Rupee against US Dollar. Above mentioned accounting treatment is in conformity with the Accounting Standard 11 (Revised) issued by The Institute of Chartered Accountants of India and the notification issued by the Ministry of Corporate Affairs.
- 3 Other income includes mainly management fees earned in respect of ships which have been taken on technical and commercial management and interest on unsecured loans.
- 4 Due to uncertain global freight market, significant fluctuations in exchange rate of Rupee vis-à-vis US Dollar, in which freight rates are generally quoted and in view of the provisions of the Income tax Act, 1961 under which taxable income is determined on an annual basis, it is considered appropriate to make the provision for taxation at the end of the year.
- 5 The Company is engaged primarily in shipping business and there are no separate reportable segments as per the Accounting Standard 17.
- 6 Figures for the previous accounting periods have been regrouped wherever necessary.
- 7 The above results have been reviewed by Audit Committee at its meeting held on 4th February, 2013 and have been approved by the Board of Directors of the Company at its meeting held on 4th February 2013.

For VARUN SHIPPING COMPANY LIMITED



Place : Mumbai
Date : February 4, 2013




YUDHISHTIR D. KHATAU
Chairman & Managing Director

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SORAB S. ENGINEER & CO. (Regd.)
CHARTERED ACCOUNTANTS

TELEPHONE : 2204 17 89
2204 08 61
FAX : (022) 2284 63 19
EMAIL : sorabsengineer@yahoo.com
WEB : www.sseco.in

ISMAIL BUILDING,
381, DR. D. NAOROJI ROAD, FORT,
MUMBAI - 400 001

Ref No :285 / 661

Review Report to the Board of Directors
Varun Shipping Company Ltd.,
Laxmi Building, 6 Shoorji Vallabhdas Marg,
Ballard Estate, Mumbai - 400001

Dear Sirs,

We have reviewed the accompanying statement of unaudited financial results of Varun Shipping Company Limited for the period of 3 months ended 31st December 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us. 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 these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements 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 financial statements are free of material misstatement. 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 audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited quarterly financial results prepared in accordance with applicable accounting standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and / or Accounting Standards issued by Institute of Chartered Accountants of India 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Sorab S. Engineer & Co.
Chartered Accountants
Firm Registration Number: 110417W

CA M.P. Antia
Partner
(Membership No. 7825)

Place: Mumbai
Date : 4th February, 2013.



VARUN SHIPPING COMPANY LIMITED

STATEMENT OF STANDALONE RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2012

PART - I

		₹ in lacs			
Sr. No	PARTICULARS	Standalone Quarter ended 31.12.2012 Unaudited	Standalone Quarter ended 30.09.2012 Unaudited	Standalone Quarter ended 31.12.2011 Unaudited	Standalone 18 months ended 30.09.2012 Audited
1	Income from operations				
	Freight & charter hire	5,629.32	8,591.55	7,895.84	46,550.23
	Profit on Sale of Ship(s) and other assets (Net)	0.84	-	-	13,862.68
	Total Income	5,630.16	8,591.55	7,895.84	60,412.91
2	Expenses				
a)	Employee cost	1,503.13	1,761.41	1,808.87	10,853.58
b)	Bunker cost	1,012.18	1,465.17	748.74	5,257.08
c)	Port expenses	156.85	172.87	277.65	1,060.09
d)	Stores, Lubes & Victualling	196.26	311.43	325.99	1,942.40
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g)	Hire of Inchartered ships	1,571.90	1,632.52	2,054.04	11,401.99
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	Total	7,041.74	8,115.25	10,020.27	54,675.24
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5	Finance Costs (net)	4,092.94	4,834.36	2,329.25	28,821.32
	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 minus 6)	(4,535.19)	(4,812.71)	(4,143.64)	(12,301.11)
8	Exceptional Items (Exchange gain / (loss) (Refer Note - 2)	3,137.11	(6,790.54)	12,393.21	16,073.77
9	Profit / (Loss) from Ordinary Activities before tax (7 minus 8)	(1,398.08)	(11,603.25)	8,249.57	3,772.66
10	Tax Expense				
	Current Tax	-	-	-	175.00
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17	Paid-up equity share capital (Face value Rs.10/-)	15,000.78	15,000.78	15,000.78	15,000.78
18	Reserves excluding revaluation reserves	-	-	-	69,239.91
19	Earnings Per Share (EPS) (in Rs.)				
a)	Basic and diluted EPS before Extraordinary Items for the period, for the year to date and for the previous year (not annualized)	(0.93)	(7.74)	5.50	2.56
	Earnings Per Share (EPS) (in Rs.)				
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A	Particulars of Shareholding				
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	- Percentage of shareholding	62.21	82.21	60.53	62.21
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a)	Pledged/Encumbered				
	- Number of shares	23,300,000	15,200,000	16,202,195	15,200,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	41.10	26.81	27.36	26.81
	- Percentage of shares (as a % of the total share capital of the company)	15.53	10.13	10.80	10.13
b)	Non-Encumbered				
	- Number of shares	33,391,562	41,481,562	43,007,423	41,481,562
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	58.80	73.19	72.64	73.19
	- Percentage of shares (as a % of the total share capital of the company)	22.26	27.66	28.87	27.66
Particulars		3 Months Ended 31.12.2012			
B	Investor Complaints				
	Pending at the beginning of the quarter	-	-	-	-
	Received during the quarter	-	22	-	-
	Disposed off during the quarter	-	21	-	-
	Remaining unresolved at the end of the quarter	-	1	-	-

Registered Office:

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VARUN SHIPPING COMPANY LIMITED

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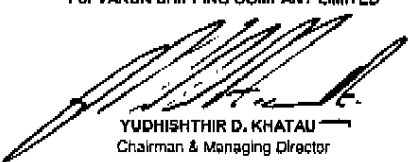
Notes:-

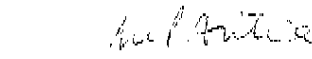
- 1 The Board of Directors at its meeting held on 31st March 2012 had considered and approved the composite scheme of arrangement and amalgamation between Varun Shipping Company Limited, Varun Gas Infrastructure Limited, Varun Shipping and Industries Limited, Varun Global Private Limited, Varun Maritime Private Limited and Varun Resources Private Limited and their respective shareholders and creditors under the provisions of Sections 381 to 394 read together with Sections 100 to 103 and other applicable provisions of the Companies Act, 1968, so as to segregate shipping business, ship management and shipping investment business into separate entities ("Scheme"). The Company had filed an application with the Hon'ble Bombay High Court in November, 2012 for obtaining its approval. At the court convened meeting of the shareholders held on 8 January 2013, the Scheme has been approved with requisite majority of 87.1831% in number and 99.9996% in value, of the shareholders present at the said meeting and voting in person or by proxy or through its authorized representative. The Company has filed the petition before the Hon'ble Bombay High Court on 21 January 2013 for approving the Scheme.
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- 3 Other income includes mainly management fees earned in respect of ships which have been taken on technical and commercial management and interest on unsecured loans.
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- 5 The Company is engaged primarily in shipping business and there are no separate reportable segments as per the Accounting Standard 17.
- 6 Figures for the previous accounting periods have been regrouped wherever necessary.
- 7 The above results have been reviewed by Audit Committee at its meeting held on 4th February, 2013 and have been approved by the Board of Directors of the Company at its meeting held on 4th February 2013.

As per our report of even date attached

For SORAB S. ENGINEER & CO.
Chartered Accountants
Firm Registration No. 110417W

For VARUN SHIPPING COMPANY LIMITED


YUDHISHTHIR D. KHATAU
Chairman & Managing Director


CA M.P. Anila
Membership No. 7825
Place : Mumbai
Date : February 4, 2013

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