

ESSAR SHIPPING PORTS & LOGISTICS LIMITED

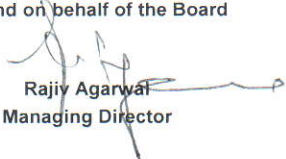
Regd. Office: Administrative Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, Dist. Jamnagar 361305.
email id: espl.secretarial@essar.com website: www.essar.com

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

Unaudited Consolidated Financial Results for the period ended 30th September 2010.

	Particulars	₹ in Crore				
		Quarter ended		Half year ended		Year ended
		30.09.2010	30.09.2009	30.09.2010	30.09.2009	31.03.2010
1	Income					(Audited)
	a) Net Sales / Income from Operations					
	i) Fleet Operating and Chartering Earnings	275.71	251.00	636.02	535.53	1,335.69
	ii) Income from Surface Transport Logistics Services	201.13	172.60	406.58	335.91	736.15
	iii) Income from Port and Terminal Services	173.32	112.33	332.91	195.65	412.55
	iv) Income from Oilfields Services	98.82	135.25	168.53	280.19	515.05
	b) Other Operating Income					
	Profit on Sale of Assets	30.37	0.26	30.62	0.51	1.01
	Total Operating Income	779.35	671.44	1,574.66	1,347.79	3,000.45
2	Expenditure					
	a) Direct Voyage and Logistics Services	384.36	320.70	794.04	594.04	1,426.72
	b) Dry Docking	17.66	3.64	19.96	11.24	12.16
	c) Other Standing Costs	28.38	36.52	73.59	75.04	151.70
	d) Operating and other Costs - Port and Terminal activities	14.65	14.43	42.43	27.27	56.56
	e) Employee Costs	50.88	35.55	99.89	77.22	186.82
	f) Depreciation	113.37	107.08	230.19	223.67	446.94
	g) Other Expenditure	20.44	23.97	40.76	50.50	116.77
	Total Operating Expenses	629.74	541.89	1,300.86	1,058.98	2,397.67
3	Profit from Operations before Other Income, Interest & Exceptional Items	149.61	129.55	273.80	288.81	602.78
4	Other Income					
	a) Profit on Sale of Investments	(0.29)	-	52.60	-	0.06
	b) Other Income	21.05	8.31	64.66	23.26	91.63
5	Profit before Interest & Exceptional Item	170.37	137.86	391.06	312.07	694.47
6	Interest	159.25	128.59	317.48	263.66	537.35
7	Profit after Interest but before Exceptional Item	11.12	9.27	73.58	48.41	157.12
8	Exceptional Item	13.24	(2.75)	13.63	(22.28)	(34.90)
9	Profit before Tax	24.36	6.52	87.21	26.13	122.22
10	Tax Expense	9.25	4.25	28.75	17.73	27.02
11	Profit for the period/year before Minority Interest	15.11	2.27	58.46	8.40	95.20
12	Adjustment for Share of Minority Interest	(4.11)	-	(7.98)	-	(1.43)
13	Profit for the period/year	11.00	2.27	50.48	8.40	93.77
14	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	615.68	615.68	615.68	615.68	615.68
15	Reserves excluding Revaluation Reserve as per last Balance Sheet					6,717.84
16	Earnings per Share (EPS) Basic and Diluted (in Rs.) (*not annualised)	0.18*	0.04*	0.82*	0.14*	1.52
17	Debt Service Coverage Ratio **			1.07	1.03	1.05
18	Interest Service Coverage Ratio ***			1.96	1.95	2.06
19	Public Shareholding					
	- Number of Shares	100,302,573	100,302,573	100,302,573	100,302,573	100,302,573
	- Percentage of Shareholding	16.29	16.29	16.29	16.29	16.29
20	Promoters and Promoter group					
	a) Pledged/Encumbered					
	- Number of shares	86,719,095	64,219,095	86,719,095	64,219,095	86,719,095
	- Percentage of shares to the total shareholding of promoter and promoter group	16.83	12.46	16.83	12.46	16.83
	- Percentage of shares to the total share capital of the Company	14.09	10.43	14.09	10.43	14.09
	b) Non-encumbered					
	- Number of shares	428,661,652	451,161,652	428,661,652	451,161,652	428,661,652
	- Percentage of shares to the total shareholding of promoter and promoter group	83.17	87.54	83.17	87.54	83.17
	- Percentage of shares to the total share capital of Company	69.62	73.28	69.62	73.28	69.62
	** DSCR= Earnings before Depreciation, Interest and Tax/[Interest (net of interest capitalised)+Principal Repayments]					
	*** ISCR= Earnings before Depreciation, Interest and Tax/Interest (net of interest capitalised)					

Notes:

1 Statement of assets and liabilities as at September 30, 2010 (unaudited)		
Particulars	₹ in crore	
	As at 30.09.2010	As at 30.09.2009
Share holders' funds		
(a) Capital	642.85	616.31
(b) Reserves and surplus	6,838.89	6,801.30
Preference share capital	-	408.34
Minority interest	58.68	32.91
Loan funds	8,481.47	6,259.88
Deferred tax liability (net)	20.78	28.40
Total	16,042.67	14,147.14
Fixed assets (including capital work in progress)	10,293.01	8,629.11
Goodwill on consolidation	5,119.50	5,037.11
Investments	104.85	2.70
Current assets, loans and advances		
(a) Inventories	136.31	146.57
(b) Sundry debtors	554.47	557.02
(c) Cash and bank balances	653.71	141.68
(d) Other current assets	2.80	3.08
(e) Loans and advances	594.62	708.71
Total	1,941.91	1,557.06
Less: Current liabilities and provisions		
(a) Liabilities	1,384.80	1,046.90
(b) Provisions	34.69	38.87
Total	1,419.49	1,085.77
Net current assets	522.42	471.29
Miscellaneous expenditure (not written off or adjusted)	2.89	6.93
Total	16,042.67	14,147.14
2	<p>The Company has filed a Composite Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 before the Hon'ble High Court of Gujarat at Ahmedabad which <i>inter alia</i> provides for:</p> <p>(a) the amalgamations of two wholly owned overseas subsidiaries viz. Essar Ports & Terminals Limited, Mauritius and Essar International Limited, Mauritius with the Company and the consequent cancellation of the entire share capital of each of the above subsidiaries ; and</p> <p>(b) the transfer by way of demerger of the shipping and logistics and oilfields drilling business of the Company to its currently wholly owned subsidiary Essar Shipping Limited (formerly Essar Ports & Terminal Limited) and consequent issue of equity shares to the shareholders of the Company.</p> <p>The appointed date for the amalgamations is 30th September 2010 and for the demerger is 1st October 2010.</p>	
3	<p>The Company has during the quarter issued foreign currency convertible bonds (FCCB) of the aggregate value of US\$ 280 million to the holding company.</p>	
4	<p>During the current quarter, the Company has acquired two bulk carriers with the aggregate of 26321 DWT and disposed of a capesize bulk carrier of 115153 DWT.</p>	
5	<p>Exceptional item represent net exchange difference on foreign currency monetary items.</p>	
6	<p>The effect of the Company having exercised option under Accounting Standard 11 effective from 1st April 2007, resulted in decrease in the Profit for the half year by ₹.7.59 (previous period decrease of ₹ 105.43) crore.</p>	
7	<p>Tax expense for the periods/year includes income tax, tonnage tax and deferred tax.</p>	
8	<p>The figures of the previous periods/year have been regrouped/reclassified wherever necessary.</p>	
9	<p>A limited review of the above financial results has been carried out by the Statutory Auditors.</p>	
10	<p>Information on investor complaints for the quarter ended 30th September 2010 is as under :</p> <p>Pending at the beginning of the quarter: Nil; Received during the quarter: 21; Disposed during the quarter: 21; Pending at the end of the quarter: Nil.</p>	
11	<p>The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 28th October 2010.</p>	
12	<p>As per Clause 41 of the Listing Agreement, the standalone results are available on the Company's website. www.essar.com</p>	
	<p>For and on behalf of the Board</p>  <p>Rajiv Agarwal Managing Director</p>	
	<p>Place: Mumbai Date: October 28, 2010</p>	

Unaudited Consolidated Segmentwise Revenue, Results and Capital Employed for the Quarter ended 30th September 2010

Particulars	₹ in Crore				
	Quarter ended		Half year ended		Year ended
	30.09.2010	30.09.2009	30.09.2010	30.09.2009	31.03.2010
Segment revenue					(Audited)
Operating Income					
Fleet operating and chartering	353.15	274.65	726.40	610.40	1,434.26
Surface transport services	201.13	172.60	406.58	335.91	737.38
Port and terminal services	175.06	113.81	338.90	199.22	420.74
Oilfields services	98.82	135.25	168.53	280.19	515.05
Total	828.16	696.31	1,640.41	1,425.72	3,107.43
Less : Inter segment revenue	(48.81)	(24.87)	(65.75)	(77.93)	(106.98)
Net operating income (A)	779.35	671.44	1,574.66	1,347.79	3,000.45
Other income					
Unallocated	36.94	21.80	151.53	53.79	177.97
Less Intersegment income	(16.18)	(13.49)	(34.27)	(30.53)	(86.28)
Net other income (B)	20.76	8.31	117.26	23.26	91.69
Total income (A + B)	800.11	679.75	1,691.92	1,371.05	3,092.14
Segment results					
Fleet operating and chartering	20.08	2.93	65.85	58.61	222.75
Surface transport services	7.92	4.99	10.46	8.66	15.47
Port and terminal services	98.51	59.26	184.16	82.28	185.51
Oilfields services	23.10	62.37	13.33	139.26	179.05
Unallocated	20.76	8.31	117.26	23.26	91.69
Profit from operation before interest and finance charges	170.37	137.86	391.06	312.07	694.47
Less: Unallocable Interest and finance expense	(159.25)	(128.59)	(317.48)	(263.66)	(537.35)
Profit before tax and exceptional item	11.12	9.27	73.58	48.41	157.12
Less: Exceptional item	13.24	(2.75)	13.63	(22.28)	(34.90)
Profit before tax	24.36	6.52	87.21	26.13	122.22
Capital employed (segment assets - segment current liabilities)					
Fleet operating and chartering	2,629.22	2,390.41	2,629.22	2,390.41	2,646.61
Surface transport services	97.88	41.66	97.88	41.66	142.63
Port and terminal services	4,106.40	3,357.78	4,106.40	3,357.78	3,833.83
Oilfields services	3,495.05	2,586.00	3,495.05	2,586.00	3,402.67
Unallocated	594.62	724.54	594.62	724.54	1,164.39
Total	10,923.17	9,100.39	10,923.17	9,100.39	11,190.13

For and on behalf of the Board


 Rajiv Agarwal
 Managing Director

Place: Mumbai
Date: October 28, 2010

ESSAR SHIPPING PORTS & LOGISTICS LIMITED

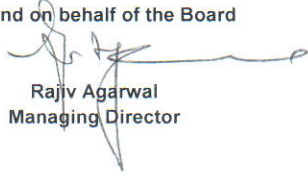
Regd. Office: Administrative Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, Dist. Jamnagar 361305.

email id: espl.secretarial@essar.com website: www.essar.com

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

Unaudited Standalone Financial Results for the quarter ended 30th September 2010

	Particulars	₹ in Crore				
		Quarter ended		Half year ended		Year ended
		30.09.10	30.09.09	30.09.10	30.09.09	31.03.2010
1	Income					(Audited)
	Net sales / Income from Operations					
	a) Fleet Operating and Chartering Earnings	193.08	193.34	477.86	402.97	1,028.21
	b) Other Operating Income					
	Profit on Sale of Assets	30.11	-	30.11		-
	Total Income	223.19	193.34	507.97	402.97	1,028.21
2	Expenditure					
	a) Direct Voyage	107.67	112.04	271.50	190.00	515.11
	b) Dry Docking	17.66	2.69	19.96	9.62	12.16
	c) Other Standing Costs	14.14	13.92	23.70	23.43	45.53
	d) Employee Costs	20.49	15.92	41.40	36.97	77.18
	e) Depreciation	27.39	31.68	57.74	62.86	119.51
	f) Other Expenditure	8.43	14.06	14.30	24.63	46.34
	Total Expenses	195.78	190.31	428.60	347.51	815.83
3	Profit from Operations before Other Income, Interest & Exceptional Items	27.41	3.03	79.37	55.46	212.38
4	Other Income					
	a) Profit on Sale of Investments	-	-	52.60	-	-
	b) Other Income	27.17	13.09	71.41	36.26	104.59
5	Profit before Interest & Exceptional Items	54.58	16.12	203.38	91.72	316.97
6	Interest	74.19	49.41	145.08	98.92	218.69
7	Profit after Interest but before Exceptional Items	(19.61)	(33.29)	58.30	(7.20)	98.28
8	Exceptional Item	13.30	(1.91)	13.67	1.89	(9.24)
9	Profit before Tax	(6.31)	(35.20)	71.97	(5.31)	89.04
10	Tax Expense	4.25	(2.52)	16.00	(1.26)	(0.96)
11	Profit for the period/year	(10.56)	(32.68)	55.97	(4.05)	90.00
12	Paid-up equity share capital (Face Value of Rs.10/- each)	615.68	615.68	615.68	615.68	615.68
13	Reserves, excluding Revaluation Reserve as per last balance sheet					6,504.92
14	Earnings per Share (EPS) Basic and Diluted (in Rs.) (*not annualised)	(0.17)*	(0.53)*	0.91*	(0.07)*	1.46
15	Debt Service Coverage Ratio **			1.38	0.82	1.03
16	Interest Service Coverage Ratio ***			1.89	1.58	1.95
17	Public shareholding					
	- Number of shares	100,302,573	100,302,573	100,302,573	100,302,573	100,302,573
	- Percentage of shareholding	16.29	16.29	16.29	16.29	16.29
18	Promoters and Promoter group					
	a) Pledged/Encumbered					
	- Number of shares	86,719,095	64,219,095	86,719,095	64,219,095	86,719,095
	- Percentage of shares to the total shareholding of promoter and promoter group	16.83	12.46	16.83	12.46	16.83
	- Percentage of shares to the total share capital of the Company	14.09	10.43	14.09	10.43	14.09
	b) Non-encumbered					
	- Number of shares	428,661,652	451,161,652	428,661,652	451,161,652	428,661,652
	- Percentage of shares to the total shareholding of promoter and promoter group	83.17	87.54	83.17	87.54	83.17
	- Percentage of shares to the total share capital of Company	69.62	73.28	69.62	73.28	69.62
	** DSCR= Earnings before Depreciation, Interest and Tax/[Interest (net of interest capitalised)+Principal Repayments]					
	*** ISCR= Earnings before Depreciation, Interest and Tax/Interest (net of interest capitalised)					

Notes		
1	Statement of assets and liabilities as at September 30, 2010 (unaudited)	
	₹ in crore	
Particulars	As at 30.09.2010	As at 30.09.2009
Share holders' funds		
(a) Capital	615.81	615.81
(b) Reserves and surplus	6,654.50	6,542.76
Loan funds	4,023.01	2,420.07
Total	11,293.32	9,578.64
Fixed assets (including capital work in progress)	2,028.32	2,161.04
Investments	7,025.84	6,833.95
Current assets, loans and advances		
(a) Inventories	21.95	16.10
(b) Sundry debtors	127.30	86.08
(c) Cash and bank balances	118.28	20.07
(d) Other current assets	0.07	0.03
(e) Loans and advances	2,134.86	575.81
Total	2,402.46	698.09
Less: Current liabilities and provisions		
(a) Liabilities	156.57	117.52
(b) Provisions	6.73	3.84
Total	163.30	121.36
Net current assets	2,239.16	576.73
Foreign Currency monetary items translation difference account	-	6.92
Total	11,293.32	9,578.64
2	<p>The Company has filed a Composite Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 before the Hon'ble High Court of Gujarat at Ahmedabad which <i>inter alia</i> provides for:</p> <p>(a) the amalgamations of two wholly owned overseas subsidiaries viz. Essar Ports & Terminals Limited, Mauritius and Essar International Limited, Mauritius with the Company and the consequent cancellation of the entire share capital of each of the above subsidiaries ; and</p> <p>(b) the transfer by way of demerger of the shipping and logistics and oilfields drilling business of the Company to its currently wholly owned subsidiary Essar Shipping Limited (formerly Essar Ports & Terminal Limited) and consequent issue of equity shares to the shareholders of the Company.</p> <p>The appointed date for the amalgamations is 30th September 2010 and for the demerger is 1st October 2010.</p>	
3	The Company has during the quarter issued foreign currency convertible bonds (FCCB) of the aggregate value of US\$ 280 million to the holding company.	
4	During the current quarter, the Company has acquired two bulk carriers with the aggregate of 26321 DWT and disposed of a capesize bulk carrier of 115153 DWT.	
5	The Company has one reportable segment of fleet operating and chartering.	
6	Exceptional item represent net exchange difference on foreign currency monetary items.	
7	The effect of the Company having exercised option under Accounting Standard 11 effective from 1st April 2007, resulted in decrease in the Profit for the half year by ₹.6.97 (previous period decrease of ₹ 94.39) crore.	
8	Tax expense for the periods/year includes income tax and tonnage tax.	
9	The figures of the previous periods/year have been regrouped/reclassified wherever necessary.	
10	A limited review of the above financial results has been carried out by the Statutory Auditors.	
11	Information on investor complaints for the quarter ended 30th September 2010 is as under : Pending at the beginning of the quarter: Nil; Received during the quarter: 21; Disposed during the quarter: 21; Pending at the end of the quarter: Nil.	
12	The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 28th October 2010.	
	<p>For and on behalf of the Board</p>  <p>Rajiv Agarwal Managing Director</p>	
	<p>Place: Mumbai Date: October 28, 2010</p>	