

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF ESSAR PORTS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ESSAR PORTS LIMITED** ("the Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group") for the quarter and six months ended September 30, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 7 below. 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.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 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.
3. The Statement includes the results of the following subsidiaries.
 - a. Vadinar Oil Terminal Limited
 - b. Vadinar Ports & Terminals Limited
 - c. Essar Bulk Terminal Limited
 - d. Essar Bulk Terminal (Salaya) Limited
 - e. Essar Bulk Terminal Paradip Limited
 - f. Essar Paradip Terminals Limited
 - g. Essar Dredging Limited
 - h. Essar Vizag Terminals Limited
4. We did not review the interim financial results / information of a subsidiary included in the consolidated financial results, whose interim financial information reflect total assets of Rs. 0.03 crore as at September 30, 2014, total revenue of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2014, respectively, and total profit / (loss) after tax of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2014, respectively, as considered in the Consolidated financial results. This interim financial results / information has been reviewed by other auditor whose report has been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor.



Deloitte Haskins & Sells

5. Based on our review conducted as stated above and based on the consideration of the report of the other auditor referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. Attention is invited to note 5 of the Statement regarding assessment of recoverable amount of 20 MMTPA Dry Bulk Terminal Project at Salaya, Gujarat in terms of Accounting Standard (AS) 28, Impairment of Assets, and the basis for concluding that the Project is not impaired.

Our opinion is not qualified in respect of this matter.

7. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the 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 Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter and six months ended September 30, 2014 of the Statement, from the details furnished by the Management.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No.117365W)



Samir R. Shah
Partner

MUMBAI, November 14, 2014

Membership No. 101708

ESSAR PORTS LIMITED						
Regd. Office: Administration Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, Dist. Jamnagar 361305						
Head Office: Essar House, 11, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034						
Statement of Consolidated Unaudited Financial Results for the quarter and half year ended 30th September, 2014						
Sr. No.	Particulars	Quarter ended			Half year ended	
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Part I					
1	Net sales / income from operations					
	Port and terminal services	398.78	407.43	383.29	806.21	782.32
	Sale of traded goods	-	-	301.92	-	301.92
	Total income	398.78	407.43	685.21	806.21	1,084.24
2	Expenses					
	a) Operating expenses	56.08	67.34	57.33	123.42	117.69
	b) Purchase of traded goods	-	-	301.92	-	301.92
	c) Employee benefits expense	8.82	9.09	7.63	17.91	14.88
	d) Depreciation and amortisation expense	75.59	74.78	69.38	150.37	137.91
	e) Other expenses	9.01	8.39	9.03	17.40	17.12
	Total expenses	149.50	159.60	445.29	309.10	589.52
3	Profit from operations before other income and finance costs (1 - 2)	249.28	247.83	239.92	497.11	494.72
4	Other income					
	a) Profit on sale of investments	-	0.01	0.03	0.01	0.03
	b) Other income	36.48	24.18	21.73	60.66	33.17
5	Profit from ordinary activities before finance costs (3 + 4)	285.76	272.02	261.68	557.78	527.92
6	Finance costs	168.75	161.38	148.54	330.13	295.35
7	Profit from ordinary activities before tax (5 - 6)	117.01	110.64	113.14	227.65	232.57
8	Tax expenses	20.13	17.76	14.80	37.89	31.85
9	Net profit for the period / year from ordinary activities after tax but before minority interest (7 - 8)	96.88	92.88	98.34	189.76	200.72
10	Adjustment for share of minority interest	(0.78)	(0.73)	(0.88)	(1.51)	(1.85)
11	Net profit for the period / year (9 + 10)	96.10	92.15	97.46	188.25	198.87
12	Paid-up equity share capital (face value of Rs.10/- each)	427.89	427.89	427.89	427.89	427.89
13	Reserves excluding revaluation reserve					2,656.28
14	Earnings per share (in Rs.) (*not annualised)					
	a) Basic	2.25*	2.15*	2.28*	4.40*	4.65*
	b) Diluted	2.21*	2.12*	2.23*	4.33*	4.55*
	See accompanying notes to the financial results					
PART II Select Information for the quarter and half year ended 30th September, 2014.						
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	10,71,06,857	10,71,06,857	10,71,06,857	10,71,06,857	10,71,06,857
	- Percentage of shareholding	25.03	25.03	25.03	25.03	25.03
2	Promoters and promoter group shareholding					
	a) Pledged / Encumbered					
	- Number of shares	31,98,79,190	31,98,79,190	31,98,79,190	31,98,79,190	31,98,79,190
	- Percentage of shares to the total shareholding of promoters and promoter group	99.72	99.72	99.72	99.72	99.72
	- Percentage of shares to the total share capital of the Company	74.76	74.76	74.76	74.76	74.76
	b) Non-encumbered					
	- Number of shares	9,01,951	9,01,951	9,01,951	9,01,951	9,01,951
	- Percentage of shares to the total shareholding of promoters and promoter group	0.28	0.28	0.28	0.28	0.28
	- Percentage of shares to the total share capital of the Company	0.21	0.21	0.21	0.21	0.21
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter					NIL
	Received during the quarter					33
	Disposed off during the quarter					33
	Remaining unresolved at the end of the quarter					NIL



2 Tax expenses include income tax, tonnage tax and deferred tax.

3 The Company has exercised the option available as per para 46/46A of Accounting Standard (AS) 11, "The effect of changes in foreign exchange rates", vide notification no. GSR 914(E) dated 29th December, 2011. Consequently, the exchange loss of Rs. 7.25 crore during the half year ended 30th September, 2014 (exchange loss of Rs. 59.50 crore during the half year ended 30th September 2013) has been capitalised to the cost of fixed assets on a consolidated basis.

4 The Board of Directors in response to a request from a major Promoter shareholder has proposed to delist the equity shares of the Company for which consent of the share holders through e-voting / postal ballot is being sought.

5 The construction / developmental work of Dry Bulk Terminal at Salaya (project) is progressing per schedule to achieve completion. Having regard to this and revenue projections, the Management has concluded that the recoverable amount of the said project is higher than its carrying amount in terms of AS 28, Impairment of Assets and is not impaired.

6 Figures for the corresponding previous period(s) / year have been restated / regrouped wherever necessary.

7 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 14th November, 2014.

For and on behalf of the Board


Rajiv Agarwal
Managing Director

Place: Mumbai

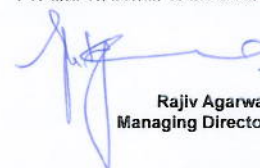
Date: 14th November, 2014



Unaudited Consolidated Segment Wise Revenue, Results and Capital Employed for the quarter and half year ended 30th September, 2014.

Particulars	Rs. in crore					
	Quarter ended			Half year ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
Port and terminal services	394.66	403.32	374.97	797.98	769.85	1,533.26
Trading in goods	-	-	301.92	-	301.92	577.45
Fleet operating and chartering	10.52	8.78	14.97	19.30	25.73	40.13
Total	405.18	412.10	691.86	817.28	1,097.50	2,150.84
Less: Inter segment revenue	(6.40)	(4.67)	(6.65)	(11.07)	(13.26)	(26.47)
Income from operations	398.78	407.43	685.21	806.21	1,084.24	2,124.37
Segment results						
Port and terminal services	245.64	247.49	232.73	493.13	485.72	954.13
Trading in goods	-	-	-	-	-	-
Fleet operating and chartering	3.64	0.34	7.19	3.98	9.00	5.27
Unallocated	9.43	9.17	6.80	18.60	15.10	40.66
Profit before other income and finance costs	258.71	257.00	246.72	515.71	509.82	1,000.06
Add : Other income	27.05	15.02	14.96	42.07	18.10	49.85
Less: Unallocable finance costs	168.75	161.38	148.54	330.13	295.35	599.09
Profit before tax	117.01	110.64	113.14	227.65	232.57	450.82
Less : Tax expenses	20.13	17.76	14.80	37.89	31.85	63.41
Net profit for the period / year after tax but before minority interest	96.88	92.88	98.34	189.76	200.72	387.41
Adjustment for share of minority interest	(0.78)	(0.73)	(0.88)	(1.51)	(1.85)	(3.70)
Net profit for the period / year	96.10	92.15	97.46	188.25	198.87	383.71
Capital employed (segment assets - segment liabilities)						
Fleet operating and chartering	80.93	76.93	86.90	80.93	86.90	78.05
Port and terminal services	8,905.05	8,802.62	8,849.46	8,905.05	8,849.46	8,601.37
Trading in goods	-	-	-	-	-	-
Unallocated	254.78	268.64	190.90	254.78	190.90	443.34
Total	9,240.76	9,148.19	9,127.26	9,240.76	9,127.26	9,122.76

For and on behalf of the Board


Rajiv Agarwal
Managing Director

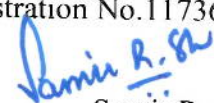
Place: Mumbai
Date: 14th November, 2014



INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF ESSAR PORTS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ESSAR PORTS LIMITED** ("the Company") for the quarter and six months ended September 30, 2014 ("the Statement"), being submitted by the Company pursuant to requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. 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.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 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.
3. 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 specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the 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 Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter and six months ended September 30, 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.117365W)



Samir R. Shah
Partner

Membership No. 101708

MUMBAI, November 14, 2014

ESSAR PORTS LIMITED						
Regd. Office: Administration Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia, Dist. Jamnagar 361305						
Head Office: Essar House, 11, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034						
Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30th September, 2014						
PART I		Rs. in crore				
Sr. No.	Particulars	Quarter ended			Half year ended	
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Income from operations	10.52	8.78	14.97	19.30	25.73
2	Expenses					
	a) Operating expenses	3.25	3.10	3.59	6.35	6.50
	b) Employee benefits expense	2.84	2.77	1.98	5.61	4.00
	c) Depreciation and amortisation expense	1.91	1.88	1.91	3.79	3.80
	d) Other expenses	2.82	2.33	2.98	5.15	6.02
	e) Amortisation of foreign currency monetary items translation difference account	4.08	4.04	4.18	8.12	5.55
	Total expenses	14.90	14.13	14.64	29.02	25.87
3	(Loss) / Profit from operations before other income, finance costs and exceptional item (1 - 2)	(4.38)	(5.35)	0.33	(9.72)	(0.14)
4	Other income	32.94	6.76	27.69	39.70	34.41
5	Profit / (Loss) from ordinary activities before finance costs and exceptional item (3 + 4)	28.56	1.42	28.02	29.98	34.27
6	Finance costs	7.39	4.77	17.14	12.16	34.38
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional item (5 - 6)	21.17	(3.35)	10.88	17.82	(0.11)
8	Exceptional item (refer note no. 7)	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	21.17	(3.35)	10.88	17.82	(0.11)
10	Tax expenses	2.63	0.15	-	2.78	-
11	Profit / (Loss) for the period / year (9 - 10)	18.54	(3.50)	10.88	15.04	(0.11)
12	Paid-up equity share capital (face value of Rs.10/- each)	427.89	427.89	427.89	427.89	427.89
13	Reserves excluding revaluation reserve					2,245.41
14	Earnings per share (in Rs.) (*not annualised)					
	a) Basic	0.43*	(0.08)*	0.25*	0.35*	(0.00)*
	b) Diluted	0.43*	(0.08)*	0.25*	0.35*	(0.00)*
	See accompanying notes to the financial results					
PART II Select Information for the quarter and half year ended 30th September, 2014.						
A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	10,71,06,857	10,71,06,857	10,71,06,857	10,71,06,857	10,71,06,857
	- Percentage of shareholding	25.03	25.03	25.03	25.03	25.03
2	Promoters and promoter group shareholding					
	a) Pledged / Encumbered					
	- Number of shares	31,98,79,190	31,98,79,190	31,98,79,190	31,98,79,190	31,98,79,190
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	99.72	99.72	99.72	99.72	99.72
	- Percentage of shares (as a % of the total share capital of the Company)	74.76	74.76	74.76	74.76	74.76
	b) Non-encumbered					
	- Number of shares	9,01,951	9,01,951	9,01,951	9,01,951	9,01,951
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	0.28	0.28	0.28	0.28	0.28
	- Percentage of shares (as a % of the total share capital of the Company)	0.21	0.21	0.21	0.21	0.21
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter					NIL
	Received during the quarter					33
	Disposed off during the quarter					33
	Remaining unresolved at the end of the quarter					NIL



Notes:

1 Standalone statement of assets and liabilities


Rs. in crore

Particulars	As at 30th September, 2014 (unaudited)	As at 31st March, 2014 (Audited)
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	428.02	428.02
(b) Reserves and surplus	2,263.16	2,246.13
	2,691.18	2,674.15
2 Non-current liabilities		
(a) Long-term borrowings	129.49	240.40
(b) Deferred tax liabilities (Net)	2.40	-
(c) Other long term liabilities	1.41	307.32
	133.30	547.72
3 Current liabilities		
(a) Trade payables	16.58	18.45
(b) Other current liabilities	504.60	49.91
(c) Short-term provisions	4.21	24.34
	525.39	92.70
TOTAL	3,349.87	3,314.57
II. ASSETS		
1 Non-current assets		
(a) Fixed assets		
- Tangible assets	69.66	73.48
(b) Non-current investments	3,144.07	3,144.07
(c) Long-term loans and advances	66.85	56.62
	3,280.58	3,274.17
2 Current assets		
(a) Trade receivables	9.43	5.89
(b) Cash and bank balances	2.12	2.10
(c) Short-term loans and advances	10.36	8.55
(d) Other current assets	47.38	23.86
	69.29	40.40
TOTAL	3,349.87	3,314.57



- 2 The Company is in the business of owning and operating liquid and dry bulk ports & terminals mainly through its subsidiaries viz. Vadinar Oil Terminal Limited, Essar Bulk Terminal Limited, Essar Bulk Terminal (Salaya) Limited, Vadinar Ports & Terminals Limited, Essar Bulk Terminal Paradip Limited, Essar Paradip Terminals Limited, Essar Vizag Terminals Limited and Essar Dredging Limited. Upto 30th September, 2014, the Company has invested Rs. 3,144.07 crore in the above subsidiaries. The consolidated financial results of the Company include the financial results of these subsidiaries.
- 3 The Company has exercised the option available as per para 46/46A of Accounting Standard (AS) 11, "The effect of changes in foreign exchange rates", vide notification no. GSR 914(E) dated 29th December, 2011. Consequently, the exchange loss of Rs. 6.05 crore during the half year ended 30th September, 2014 (exchange loss of Rs. 33.55 crore during the half year ended 30th September, 2013) has been transferred to Foreign Currency Monetary Items Translation Difference Account to be amortised over the balance period of such long term liability.
- 4 The Board of Directors in response to a request from a major Promoter shareholder has proposed to delist the equity shares of the Company for which consent of the share holders through e-voting / postal ballot is being sought.
- 5 The Company has only one reportable segment of fleet operating and chartering.
- 6 Tax expenses include income tax, tonnage tax and deferred tax.
- 7 Exceptional item represent gain on sale of investments in subsidiaries to another subsidiary.
- 8 Figures for the corresponding previous period(s) / year have been restated / regrouped wherever necessary.
- 9 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 14th November, 2014.

For and on behalf of the Board


Rajiv Agarwal
Managing Director

Place: Mumbai
Date : 14th November, 2014

