

THE GREAT EASTERN SHIPPING CO. LTD.

Regd. Office: Ocean House,134-A, Dr.Annie Besant Road, Mumbai-400 018.

UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ENDED SEPTEMBER 30, 2008.

(Rs. in Crores)

Quarter Ended on		% Inc/ (dec)		Half Year Ended on		% Inc/ (dec)	Year Ended on 31.03.2008 (AUDITED)
30.09.2008 (UNAUDITED)	30.09.2007 (UNAUDITED)			30.09.2008 (UNAUDITED)	30.09.2007 (UNAUDITED)		
864.09	601.31		1. Income -				
-	115.84		(a) Freight & Charter hire	1566.53	1238.44		2580.71
			(b) Gain on sale of ships	253.92	194.71		289.42
864.09	717.15		Total	1820.45	1433.15		2870.13
			2. Expenditure -				
66.15	57.09		(a) Employees Cost (ashore and floating)	129.42	110.48		232.12
28.40	64.95		(b) Repairs & Maintenance-Fleet	89.34	91.86		176.52
191.80	96.48		(c) Direct operating expenses	323.49	202.79		435.14
24.62	66.79		(d) Hire of chartered ships	56.57	166.99		309.86
35.19	38.14		(e) Other expenses	66.54	75.77		156.63
346.16	323.45		Total	665.36	647.89		1310.27
517.93	393.70	31.6%	3. (a) Operating Profit (PBIDT)	1155.09	785.26	47.1%	1559.86
517.93	277.86	86.4%	(b) Operating Profit (PBIDT) (excluding gain on sale of ships)	901.17	590.55	52.6%	1270.44
79.73	86.56		4. Depreciation	157.74	170.11		340.95
438.20	307.14	42.7%	5. Profit from Operations before Other Income, Interest and Exceptional Items [3(a) - 4]	997.35	615.15	62.1%	1218.91
128.41	40.31		6. Other Income	164.54	78.63		186.41
566.61	347.45	63.1%	7. Profit before Interest and Exceptional Items	1161.89	693.78	67.5%	1405.32
36.05	34.12		8. Interest	74.37	65.52		149.28
530.56	313.33	69.3%	9. Profit after interest but before Exceptional Items	1087.52	628.26	73.1%	1256.04
(19.21)	48.70		10. Exceptional items (see note 1)	(157.78)	164.07		146.97
511.35	362.03	41.2%	11. Profit from Ordinary Activities before tax	929.74	792.33	17.3%	1403.01
5.20	19.24		12. Provision for tax including fringe benefit tax	36.00	28.50		46.20
506.15	342.79	47.7%	13. Net Profit after Tax	893.74	763.83	17.0%	1356.81
152.28	152.27		14. Paid-up Equity Share Capital (Face Value Rs.10/-)	152.28	152.27		152.27
			15. Reserves excluding revaluation reserves				4005.10
34.50	19.31		16. (a) Earnings per share excluding exceptional item (in Rs.)				
34.20	19.31		- Basic	69.06	39.39		79.45
			- Diluted	68.43	39.39		78.80
33.24	22.51		(b) Earnings per share including exceptional item (in Rs.)				
32.95	22.51		- Basic	58.69	50.16		89.11
			- Diluted	58.16	50.16		88.37
106179659	107433374		17. Public Shareholding -				
69.73	70.55		- Number of Shares	106179659	107433374		106969942
			- Percentage of shareholding	69.73	70.55		70.25

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NOTES :

1. Even though not yet mandatory, the Company has with effect from April 01, 2008 adopted the principles enunciated in Accounting Standard (AS) 30, Financial Instruments: Recognition and Measurement in respect of hedge accounting and recognition and measurement of derivatives in accordance with the recommendations of the Institute of the Chartered Accountants of India. During the quarter, the Company has also designated its foreign currency loan liabilities as hedging instruments in a cash flow hedge of the exposure to changes in foreign exchange rates of firm commitments and highly probable forecast transactions. Consequently, the revaluation of the loan liabilities that qualify as effective hedges, amounting to Rs 189.07 crores, has been recorded in the hedging reserve account as against the earlier practice of accounting for such gains or losses in the profit and loss account. The profit of the Company for the quarter ended September 30, 2008 is higher to that extent. Gains or losses on revaluation of ineffective hedge transactions, and crystallised gains and losses, are recognised in the Profit and Loss Account. During the current quarter a loss of Rs. 19.21 crores has been recognised in the Profit and Loss Account under Exceptional items.

In earlier accounting periods, the gains or losses on revaluation/ repayment of foreign currency loan liabilities were recorded in the Profit and Loss Account under Exceptional items in accordance with Accounting Standard (AS) 11.

2. Pursuant to the order of the Special Court (Trial of Offences Relating to Transaction in Securitates) the Company allotted 5760 equity shares on August 28, 2008 out of the shares kept in abeyance since 1994.
3. The Company has declared an interim dividend of Rs. 2.50 per equity share. The outgo on this account is Rs. 44.54 crores including Tax on Dividend.
4. During the quarter under review, the Company has contracted to construct two Suezmax Tankers of DWT 158000 MT each for delivery in second and third quarter of Financial Year 2011-12 respectively.
5. The Company has allotted 10,000 equity shares on October 01, 2008 pursuant to the option exercised by one of the non-whole time directors to convert warrants at the predetermined price of Rs. 312.75 per share.
6. During the quarter, the Company has subscribed 1,10,00,000 equity shares of Rs. 10/- each at a premium of Rs. 90/- per share by way of preferential allotment aggregating to Rs. 110 crores in its wholly owned subsidiary "Greatship (India) Ltd." The total investment till date aggregates to Rs. 852 crores.
7. The Company is mainly engaged in shipping business and there are no separate reportable segments as per Accounting Standard (AS) 17.
8. Previous period figures have been re-grouped wherever necessary.
9. Number of Investor Complaints at the beginning of the quarter were "Nil", received during the quarter were "16", disposed off during the quarter were "16" and lying unresolved at the end of the quarter were "Nil".

10. The Board of Directors has approved the aforesaid results at its meeting held on October 24, 2008. These results have been subjected to a “ Limited Review” by the auditors of the Company, as per the listing agreements with the Stock Exchange, Mumbai and the National Stock Exchange.

For The Great Eastern Shipping Co. Ltd.

**(K. M. Sheth)
Executive Chairman**

Place: Mumbai.
Date : 24.10.2008