

FY 2001-02 : Net up by 17%

The Board of Directors of The Great Eastern Shipping Company Ltd. (GE Shipping) at its meeting today approved the audited annual results for the fiscal year 2001-02 recording a revenue of Rs.11963.50 mn., a growth of 3.58% over the previous year. The Company registered its highest ever profits of Rs.2075.10 mn. (after provision for deferred tax) an increase of 16.96 % as compared to the previous year. The Board has recommended an equity dividend of Rs. 4.00 per share for the FY 01-02 as against a dividend of Rs.2.75 per share last year. The dividend accounts for an overall outflow of Rs.761.8 mn.

For the FY 01-02, the shipping division contributed 72.56% to revenues and 74.14% to profits before tax and interest of the company. A sound business model of spreading time charters over intermittent time periods has enabled the company perform in a declining freight market amidst challenging economic and business environment. The division sold a 1983 built Handymax bulk carrier Jag Radhika of 41,502 dwt in April 2002 and a 1985 built product carrier Jag Pankhi of 50,600 dwt in May 2002. The shipping division fleet comprises of 28 vessels of 12,43,855 dwt with 17 tankers and 11 drybulk carriers. The average age of the division has improved to 13.06 years ( as of June 14, 2002) as compared to 13.39 years as at March 31, 2002 which is in line with the company's policy of modernisation of its fleet profile.

The offshore division contributed 21.15% to revenues and 28.17% to the profits before tax and interest of the company. Higher utilization and increase in average day rates in the drilling and the offshore support vessels segments have contributed to the division's performance. The company took delivery of its second platform supply vessel - Malaviya Eighteen during May 2002 taking the total offshore fleet to 31 vessels.

Under the on-going second buy-back scheme, the company has bought back and extinguished 1,33,36,499 equity shares till March 31, 2002, reducing the share capital to Rs. 2025.6 mn. After the year end, the Company further bought back and extinguished its own 1,14,18,884 equity shares upto June 13, 2002 thereby reducing the paid-up equity share capital further to Rs.1911.45 mn.