

THE SHIPPING CORPORATION OF INDIA LTD.
UNAUDITED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED DECEMBER 31, 2012

PART I		QUARTER ENDED			Amount in ₹ lakhs		
		31.12.2012 Unaudited	30.09.2012 Unaudited	31.12.2011 Unaudited	31.12.2012 Unaudited	31.12.2011 Unaudited	31.03.2012 Audited
1 a)	Net Sales/Income from Operations	1,01,097	1,02,591	96,701	3,19,183	280321	3,82,080
b)	Other Operating Income	2,071	10,861	18,044	9,188	33,310	21,263
c)	Profit on Sale of Ships	-	6,070	17,513	10,367	20,754	27,518
	Total Income	1,03,168	1,19,522	1,32,258	3,38,738	3,34,385	4,30,861
2	Expenditure -						
a)	Cost of Materials Consumed	NA	NA	NA	NA	NA	NA
b)	Purchases of stock - in - trade	NA	NA	NA	NA	NA	NA
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	NA	NA	NA	NA	NA	NA
d)	Employee Cost (ashore & floating)	12,456	11,586	9,777	35,957	32071	44,572
e)	Bunker	36,552	37,405	40,819	1,18,671	110516	1,56,034
f)	Port dues	8,812	10,029	10,222	29,260	30697	42,518
g)	Cargo Handling Expenses	1,474	3,411	11,037	13,668	28787	32,060
h)	Repairs & Maintenance	6,644	6,566	7,057	19,810	17300	22,586
i)	Charter Hire	10,010	14,230	10,296	36,928	27843	41,459
j)	Provisions	274	2,138	233	2,883	961	2,194
k)	Depreciation	19,332	19,649	15,797	55,814	44557	60,872
l)	Other Expenditure						
m)	Total	12,975	19,539	13,507	32,431	32,032	42,996
	Total	108529	124553	118745	345422	324764	445291
3	Profit / (Loss) from Operations before Other Income, finance costs & Exceptional Items (1-2)	(5,361)	(5,031)	13,513	(6,684)	9,621	(14,430)
4 a)	Interest Income	2,580	2,590	4,700	8,365	14951	18,344
b)	Other Income	141	249	99	668	539	814
c)	Total	2,721	2,839	4,799	9,033	15,490	19,158
5	Profit / (Loss) before finance cost and Exceptional Items(3+4)	(2,640)	(2,192)	18,312	2,349	25,111	4,728
6	Finance Costs	4,662	2,999	10,283	11,085	27328	38,730
7	Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	(7,302)	(5,191)	8,029	(8,736)	(2,217)	(34,002)
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	(7,302)	(5,191)	8,029	(8,736)	(2,217)	(34,002)
10	Tax Expense	-	-	-	-	-	-
a)	Provision for Taxation	224	2,370	1,700	4,224	6100	9,900
b)	Excess Provision Written Back	-	-	(1,081)	-	(1,081)	(1,081)
c)	Total	224	2,370	619	4,224	5,019	8,819
11	Net Profit / (Loss) from Ordinary Activities after Tax (9-10)	(7526)	(7561)	7410	(12960)	(7236)	(42821)
12	Extra Ordinary Items	-	(37,287)	-	(29,673)	-	-
13	Net Profit/ (Loss) for the period (11-12)	(7526)	29726	7410	16713	(7236)	(42821)
14	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	46,580	46,580	46,580	46,580	46,580
15	Reserves excluding Revaluation Reserves						6,26,852
16	Earning per Share (in Rs.)						
a)	Basic and diluted EPS before Extraordinary Items	(1.62)	(1.62)	1.59	(2.78)	(1.55)	(9.19)
b)	Basic and diluted EPS after Extraordinary Items	(1.62)	6.38	1.59	3.59	(1.55)	(9.19)

PART II		Select Information for the Quarter ended 31/12/2012					
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- No. of Shares	16,88,56,033	16,88,56,033	16,88,56,033	16,88,56,033	16,88,56,033	16,88,56,033
	- % of Shareholding	36.25	36.25	36.25	36.25	36.25	36.25
2	Promoters and promoters group Shareholding						
a)	Pledged / Encumbered						
	- No. of Shares	NIL	NIL	NIL	NIL	NIL	NIL
	- % of Shares (as a % of a total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
	- % of Shares (as a % of a total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
b)	Non- Encumbered						
	- No. of Shares	29,69,42,977	29,69,42,977	29,69,42,977	29,69,42,977	29,69,42,977	29,69,42,977
	- % of Shares (as a % of a total shareholding of promoter and promoter group)	100	100	100	100	100	100
	- % of Shares (as a % of a total share capital of the company)	63.75	63.75	63.75	63.75	63.75	63.75

NA indicates Not Applicable

Particulars	3 Months ended 31.12.2012
B INVESTORS COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	0

Segment-wise Revenue, Results and Capital Employed				Amount in ₹ lakhs			
SR NO	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		31.12.2012 Unaudited	30.09.2012 Unaudited	31.12.2011 Unaudited	31.12.2012 Unaudited	31.12.2011 Unaudited	31.03.2012 Audited
1	Segment Revenue						
	i. Liner Segment	27966	36933	37680	89872	99840	1,17,441
	ii. Bulk Segment	63923	72134	88872	219030	219739	2,90,072
	iii. Others	11279	10455	5706	29836	14806	23,255
	Total	103168	119522	132258	338738	334385	430768
	Unallocated Revenue	141	37,536	99	30,341	539	907
	Total	103309	157058	132357	369079	334924	431675
2	Segment Results						
	Profit/(Loss) before Tax and Interest						
	i. Liner Segment	1410	3163	(2410)	523	(8705)	(31,166)
	ii. Bulk Segment	(11044)	(12623)	13768	(18657)	12406	6,789
	iii. Others	4277	4478	2303	11434	6018	10,035
	Total	(5357)	(4982)	13661	(6700)	9719	(14342)
	Less: Unallocated Expenditure (Net of Income)	(137)	(200)	49	(684)	(441)	(726)
	Profit before Interest and Tax	(5220)	(4782)	13612	(6016)	10160	(13616)
	Less: Interest Expenses	4662	2999	10283	11085	27328	38730
	Add: Interest Income	2580	2590	4700	8365	14951	18344
	Profit before Tax	(7302)	(5191)	8029	(8736)	(2217)	(34002)
3	Capital Employed						
	i. Liner Segment	86619	84585	47373	86619	47373	40,548
	ii. Bulk Segment	1070042	1015998	847778	1070042	847778	8,25,613
	iii. Others	142041	121705	24089	142041	24089	49,472
	Total Capital Employed in Segments	1298702	1222288	919240	1298702	919240	915633
	Unallocable Capital Employed	161497	87759	212009	161497	212009	1,35,796
	Total Capital Employed in Company	1460199	1310047	1131249	1460199	1131249	1051429

Notes:

1. The above results were reviewed by the Audit Committee in its meeting held on 13.02.2013 and approved by the Board of Directors on 14.02.2013.
2. Segment Results:
 - a. Segment definitions: Liner segment includes breakbulk and container transport. Bulk segment includes tankers (both crude and product), dry bulk carriers, gas carriers and phosphoric acid carriers. Others include offshore vessels, passenger vessels and services and ships managed on behalf of other organisations. Unallocable items and interest income/expenses are disclosed separately.
 - b. All assets/liabilities and revenue items are allocated vessel wise wherever possible. Assets/liabilities and revenue items that cannot be allocated vessel wise are allocated on the basis of unit cum GRT method i.e. 50% allocated on the basis of units & balance 50% on the basis of adjusted GRT. For vessels which are bigger than 20000 GRT, GRT is adjusted to one third of GRT or 20000 GRT, whichever is more.
 - c. The components of capital employed that cannot be directly identified are allocated on the basis of GRT method.
3. The details of foreign exchange loss/gain for the period is as under:

	Capitalised to cost of vessels	Charged to interest expense in accordance with ASI 10 to AS – 16 “Borrowing cost”	Included in “Other expenditure”/”Other income”
For the quarter ended 31 st December 2012	25484 lakhs (loss)	NIL	1277 lakhs (gain)
For the quarter ended 30 th September, 2012	46020 lakhs (gain)	7614 lakhs (gain)	8770 lakhs (loss)
For the nine months ended 31 st December, 2012	35293 lakhs (loss)	NIL	2413 lakhs (loss)
For the nine months ended 31 st December, 2011	69472 lakhs (loss)	20943 lakhs (loss)	26457 lakhs (gain)
For the year ended 31 st March 2012	37664 lakhs (loss)	29673 lakhs (loss)	13444 lakhs (gain)

4. Ministry of Corporate Affairs, Government of India through Circular dated August 09, 2012 has clarified that para 6 of Accounting Standard (AS) 11 and para 4 (e) of AS 16 shall not apply to a Company which is applying para 46-A of AS 11. Consequently, exchange differences, arising on settlement/translation of foreign currency loans to the extent regarded as an adjustment to interest costs as per para 4 (e) of AS 16 and charged to statement of Profit and Loss, have now been adjusted in the cost of related assets. As a result, profit for the nine months ended December 31, 2012 & Fixed Assets as on December 31, 2012 is higher by ₹ 28405 lakh and depreciation is higher by ₹1274 lakh. There is no impact on the profit for the quarter ended 31st December, 2012

5. Other Expenditure for the quarter ended 31st December, 2012 includes prior period expenditure of ₹ 3895 lakhs. Prior period income of ₹ 6692 lakhs for the nine months ended 31st December, 2012 has been included in "Other income".
6. During the quarter ended 31st December, 2012, the Company took delivery of one Crude Oil Tanker M.T. Desh Shobha of DWT 81,334, two Panamax Bulk Carrier M.V. Vishva Vijay & M.V Vishva Preeti of DWT 44010 & 44007 respectively, one Platform Supply Vessel M.V. SCI Yamuna of DWT 2633 and one Kamsarmax Bulk Carrier Vishva Jyoti of DWT 44864
7. The auditors in their limited review report for the quarter ended 31st December, 2012 have brought out that;
 - a. Reconciliation of agents' accounts resulted in prior period expenses of Rs. 49.30 crores booked under various heads of expenditure which remains unverified.
 - b. The accuracy of exchange gain / loss in respect of customer reconciliation / advances received from customers / trade payables, booking of freight income on ad hoc basis of Rs. 59.96 crores, recognized on revaluation as per accounting standard-11 remains unverifiable and remains unascertainable.
 - c. Failure to correct major weaknesses in the internal control systems in relation to the various subsystems used by the Corporation for timely and proper recording of the transactions relating to the expense and revenue.
 - d. Non-provision on account of credit notes/bad and doubtful debts on sundry debtors resulting from reconciliation matters.
 - e. Incorrect capitalization of m.t. Desh Shobha resulting in understatement of Depreciation and understatement of liability to Joint Venture Company, the effect of which is unascertainable.

The management's views on the abovementioned points are as below:

- a. The prior period expenses of ₹ 49.30 crores have been booked based on documents which were available for verification
 - b. Due to non-availability of the invoicing system for a short period, the income of ₹ 59.96 crores was booked manually applying the exchange rate as on 31st December, 2012. There is no material impact on exchange gain/ loss due to this.
 - c. To address weaknesses in internal control systems if any, management has initiated action to carry out system audit.
 - d. Reconciliation of sundry debtors is in progress.
 - e. Capitalisation of the ship has been done as per the price in the contract entered into with the shipyard. The settlement with the joint venture company for instalments paid earlier against the vessel will be addressed at the time of dissolution of the joint venture company which is expected shortly.
8. The figures of the previous year/ period have been regrouped or rearranged wherever necessary / practicable to conform to current year / period's transactions.

For The Shipping Corporation of India Ltd.

B. K. Mandal
Chairman & Managing Director

Place: Mumbai
Date: 14/02/2013

