

THE SHIPPING CORPORATION OF INDIA LTD.
UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2011

PART I		QUARTER ENDED			HALF YEAR ENDED		Amount in ₹ lakhs
SR NO	PARTICULARS	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	YEAR ENDED
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	31.03.2013 Audited
1 a)	Net Sales/Income from Operations	1,03,546	91,765	1,02,591	1,95,311	218086	4,15,252
b)	Other Operating Income	1,460	4,139	10,861	3,589	12,289	8,707
c)	Profit on Sale of Ships	637	1,709	6,070	2,346	10,367	12,101
	Total Income	1,05,643	97,613	1,19,522	2,01,246	2,40,742	4,36,060
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)	10,300	12,599	11,586	22,899	23501	47,823
e)	Bunker	38,260	32,682	37,405	70,942	82119	1,58,158
f)	Port dues	10,600	8,914	10,029	19,514	20448	38,680
g)	Cargo Handling Expenses	6,790	5,164	3,411	11,954	12194	22,088
h)	Repairs & Maintenance	5,983	5,364	6,566	11,347	13166	27,278
i)	Charter Hire	5,881	7,642	14,230	13,523	26918	44,464
j)	Provisions	563	151	2,138	714	2609	13,211
k)	Depreciation	21,714	20,477	19,649	42,191	36482	76,052
l)	Other Expenditure	13,359	10,731	19,539	22,080	24,628	42,424
m)	Total	1,13,450	1,03,724	1,24,553	2,15,164	2,42,065	4,70,178
3	Profit / (Loss) from Operations before Other Income, finance costs & Exceptional Items (1-2)	(7,807)	(6,111)	(5,031)	(13,918)	(1,323)	(34,118)
4 a)	Interest Income	2,703	2,709	2,590	5,412	5785	10,729
b)	Other Income	289	114	249	403	527	2,751
c)	Total	2,992	2,823	2,839	5,815	6,312	13,480
5	Profit / (Loss) before finance cost and Exceptional Items(3+4)	(4,815)	(3,288)	(2,192)	(8,103)	4,989	(20,638)
6	Finance Costs	5,638	4,982	2,999	10,620	6423	16,181
7	Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	(10,453)	(8,270)	(5,191)	(18,723)	(1,434)	(36,819)
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	(10,453)	(8,270)	(5,191)	(18,723)	(1,434)	(36,819)
10	Tax Expense	-	-	-	-	-	-
a)	Provision for Taxation	1,900	1,600	2,370	3,500	4000	5,010
b)	Excess Provision Written Back	-	-	-	-	-	(424)
c)	Total	1,900	1,600	2,370	3,500	4,000	4,586
11	Net Profit / (Loss) from Ordinary Activities after Tax (9-10)	(12353)	(9870)	(7561)	(22223)	(5434)	(41405)
12	Extra Ordinary Items	-	-	(37,287)	-	(29,673)	(29,974)
13	Net Profit/ (Loss) for the period (11-12)	(12353)	(9870)	29726	(22223)	24239	(11431)
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						6,15,035
16	Earning per Share (in Rs.)						
a)	Basic and diluted EPS before Extraordinary Items	(2.65)	(2.12)	(1.62)	(4.77)	(1.17)	(8.89)
b)	Basic and diluted EPS after Extraordinary Items	(2.65)	(2.12)	6.38	(4.77)	5.20	(2.45)

PART II						
Select Information for the Quarter ended 30/09/2013						
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
	- % of Shareholding	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
	- % of Shares (as a % of a total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL
	- % of Shares (as a % of a total share capital of the company)	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
	- % of Shares (as a % of a total shareholding of promoter and promoter group)	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

NA indicates Not Applicable

Particulars	3 Months ended 30.09.2013
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			HALF YEAR ENDED		YEAR ENDED
		30.09.2013 Unaudited	30.06.2013 Unaudited	30.09.2012 Unaudited	30.09.2013 Unaudited	30.09.2012 Unaudited	31.03.2013 Audited
1	Segment Revenue						
	i. Liner Segment	22163	24311	36933	45656	65685	1,15,689
	ii. Bulk Segment	77136	63064	72134	138784	156269	2,79,901
	iii. Others	6329	10238	10455	16212	18788	40,470
	Total	105628	97613	119522	200652	240742	436060
	Unallocated Revenue	304	114	37,536	997	30,200	32,725
	Total	105932	97727	157058	201649	270942	468785
2	Segment Results						
	Profit/(Loss) before Tax and Interest						
	i. Liner Segment	(7785)	(495)	3163	(8,280)	(887)	(3,157)
	ii. Bulk Segment	(3367)	(10189)	(12623)	(13556)	(7613)	(36,774)
	iii. Others	2827	4621	4478	7448	7157	15,597
	Total	(8325)	(6063)	(4982)	(14388)	(1343)	(24334)
	Less: Unallocated Expenditure (Net of Income)	(807)	(66)	(200)	(873)	(547)	7,033
	Profit before Interest and Tax	(7518)	(5997)	(4782)	(13515)	(796)	(31367)
	Less: Interest Expenses	5638	4982	2999	10620	6423	16181
	Add: Interest Income	2703	2709	2590	5412	5785	10729
	Profit before Tax	(10453)	(8270)	(5191)	(18723)	(1434)	(36819)
3	Capital Employed						
	i. Liner Segment	77619	100698	84585	77619	84585	1,00,905
	ii. Bulk Segment	1127250	1107746	1015998	1127250	1015998	10,61,444
	iii. Others	144700	147724	121705	144700	121705	1,16,908
	Total Capital Employed in Segments	1349569	1356168	1222288	1349569	1222288	1279257
	Unallocable Capital Employed	32159	45176	87759	32159	87759	71,464
	Total Capital Employed in Company	1381728	1401344	1310047	1381728	1310047	1350721

THE SHIPPING CORPORATION OF INDIA LTD.

STATEMENT OF ASSETS AND LIABILITIES		As at 30-09-2013 (Unaudited)	As at 31-03-2013 (Audited)
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
a) Share Capital		46,580	46,580
b) Reserves & Surplus		5,92,759	6,15,035
2 Non-current liabilities			
a) Long- term borrowings		7,42,750	6,82,264
b) Other long-term liabilities		866	841
c) Long- term provisions		11,602	10,899
3 Current liabilities			
a) Short Term Borrowings		59,387	45,704
a) Trade payables		87,725	80,358
b) Other current liabilities		1,20,832	1,20,323
c) Short- term provisions		7,157	7,616
TOTAL EQUITY AND LIABILITIES		16,69,658	16,09,620
B ASSETS			
1 Non-current assets			
a) Fixed Assets			
(i) Tangible assets		12,49,799	11,50,651
(ii) Intangible assets		2,879	3,327
(iii) Assets Retired from Active use (Prev. yr.Rs. 0.10 lakhs)		980	47
(iv) Capital work-in-progress		12,829	18,945
b) Non- current investments		17	17
c) Long-term loans and advances		1,51,256	1,67,185
d) Other non-current assets		497	511
2 Current assets			
a) Current investments		23,781	11,769
b) Inventories		18,145	18,346
c) Trade receivables		82,264	88,641
d) Cash & cash equivalents		85,688	1,26,478
e) Short-term loans and advances		29,034	15,468
f) Other current assets		12,489	8,235
TOTAL - ASSETS		16,69,658	16,09,620

Notes:

1. The above results were reviewed by the Audit Committee in its meeting held on 12.11.2013 and approved by the Board of Directors on 13.11.2013.
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 30 th September 2013	43661 lakhs (loss)	Nil	2010 lakhs (loss)
For the quarter ended 30 th June, 2013	79657 lakhs (loss)	Nil	2837 lakhs (gain)
For the quarter ended 30 th September 2012	46020 lakhs (gain)	7614 lakhs (gain)	8770 lakhs (loss)
For the half year ended 30 th September, 2013	123318 lakhs (loss)	Nil	827 lakhs (gain)
For the half year ended 30 th September, 2012	9809 lakhs (loss)	Nil	3691 lakhs (loss)
For the year ended 31 st March, 2013	74654 lakhs (loss)	Nil	2365 lakhs (loss)

4. During the quarter ended 30th September, the Company sold three Offshore supply vessels Feroze Gandhi, Capt F. M. Juvale & SCI 06 of DWT 1758, 1809 & 1817 respectively.
5. During the quarter the Corporation has rescinded the shipbuilding contract for construction of a 3500 TEU container vessel due to non-delivery of the vessel within the contractual time period. Consequently, the refundment guarantee of USD 21.32 million for advances paid to the shipyard and interest thereon was invoked on 19.09.2013. The shipyard has resorted to arbitration & the banker issuing the bank guarantee has informed us that they shall withhold the payment until the arbitration award is published.

Subsequent to this quarter, the Corporation has rescinded shipbuilding contracts for 2 offshore vessels due to non-delivery of the vessel within the contractual time period.
6. The auditors in their limited review report for the quarter ended 30th September, 2013 have brought out that;
 - a. The Accuracy of the Exchange gain / loss, due to bill wise reconciliation of transactions for Customer reconciliation / Advance received from Customers, recognized on revaluation as per the Accounting

Standard – 11 remains unverifiable and remains unascertainable.

- b. The Company has not carried out the adjustment in discount rate as per the factors described in para 50 & 51 of the Accounting Standard 28 issued by ICAI. Further, the Company has not provided adequate information for the adjustments to be carried out in discount rate in compliance of the above paras, hence the impact of the same is unascertainable.
- c. Failure to correct material weaknesses in the internal control systems in relation to timely and proper recording of the transactions relating to the expenses by the Corporation.
- d. The Corporation has not received any amount towards rescindment of ship building contract with Rongcheng Shenfei Shipbuilding Company Limited, China from ICBC Bank, China towards invocation of bank guarantee, hence the outcome of the transaction is uncertain.

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

- a. The issue is arising only in cases where part payment is received in Rupees against foreign currency invoices raised on customers. The Management is trying to resolve the issue by making suitable changes in the foreign currency invoice booking system for such cases.

The impact has been assessed at the end of the quarter and the necessary entries have been passed.

- b. The management has tested its assets for impairment and has computed the recoverable value for all the ships owned by the company following AS 28. The methodology adopted by the Company has been consistent over the past 3 years. As per the calculations, there is no impairment on the assets hence provision for impairment is not considered necessary.
 - c. During the quarter ended 30.09.2013, the Corporation has booked slot hire expenses of Rs. 1666 lakhs pertaining to prior period as these were under negotiation and were not booked during relevant period. The management is making all efforts to ensure timely booking of expenditure.
 - d. Kindly refer to point no. 5 of the notes
7. 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: New Delhi
Date: 13/11/2013