



भारतीय नौवहन निगम लिमिटेड

(भारत सरकार का उद्यम)

पंजीकृत कार्यालय : शिपिंग हाउस, 245, मादाम कामा रोड, मुंबई-400 021.

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ई-मेल: mail@sci.co.in • वेबसाइट : http : // www.shipindia.com

The Shipping Corporation Of India Ltd.

(A GOVERNMENT OF INDIA ENTERPRISE)

Regd. Office : Shipping House, 245, Madame Cama Road, Mumbai-400 021.

Phone : 91-22 2202 6666 • FAX : 91-22 2202 6905

E-mail : mail@sci.co.in • Website : http : // www.shipindia.com

Ref.No.: A10-SEC-BD-808-50

14.11.2011

The Manager (Listing)

The National Stock Exchange of India Ltd.

'Exchange Plaza', C – 1, Block G,

Bandra-Kurla Complex

Bandra (East)

MUMBAI - 400 051

Dear Sir,

**Re: Compliance of Clause 41 of the Listing Agreement
Un-audited Financial Results for the quarter ended
on 30.09.2011**

Pursuant to Clause 41 of the listing Agreement, enclose please find a copy of the un-audited Financial Results of the Company (along with the Auditors' Limited Review Report) for the quarter ended 30th September 2011, which were approved by the Board of Directors at its meeting held on 14.11.2011.

Thanking you,

Yours faithfully,

Encl.

कृते भारतीय नौवहन निगम लिमिटेड
For THE SHIPPING CORPORATION OF INDIA LTD.


दिपांकर हालदार / DIPANKAR HALDAR
वरिष्ठ उपाध्यक्ष (विधिक मामले) एवं कंपनी सचिव
Senior Vice President (Legal Affairs) & Company Secretary

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

(Rs.in lakhs)

SR NO	PARTICULARS	QUARTER ENDED 30TH SEPTEMBER		HALF YEAR ENDED 30TH SEPTEMBER		YEAR ENDED 31.03.2011 (AUDITED)
		2011 (UNAUDITED)	2010 (AUDITED)	2011 (UNAUDITED)	2010 (AUDITED)	
1 a)	Net Sales/Income from Operations	90,684	87,644	1,83,620	1,78,936	3,54,342
b)	Other Operating Income	11,053	1,818	14,562	4,593	8,108
c)	Profit on Sale of Ships	2,013	12,800	3,241	14,349	20,098
	Total Income	1,03,750	1,02,262	2,01,423	1,97,878	3,82,548
2	Expenditure -					
a)	Increase/Decrease in Stock in Trade and Work in progress	NA	NA	NA	NA	NA
b)	Consumption of Raw Materials	NA	NA	NA	NA	NA
c)	Employee Cost (ashore & floating)	11,250	11,579	22,294	24,422	46,421
d)	Bunker	36,966	16,417	68,993	36,282	81,707
e)	Port dues	10,231	6,268	20,475	13,197	28,888
f)	Cargo Handling Expenses	8,696	5,616	17,750	10,387	22,168
g)	Repairs & Maintenance	5,328	5,259	10,243	9,557	21,186
h)	Charter Hire	9,744	8,474	17,547	18,476	34,005
i)	Provisions	412	497	728	728	1,653
j)	Depreciation	14,513	10,325	28,760	20,456	46,510
k)	Other Expenditure	9,296	13,398	18,525	21,092	47,338
l)	Total	1,06,436	77,833	2,05,315	1,54,597	3,29,876
3	Profit/(Loss) from Operations before Other Income, Interest & Exceptional Items (1-2)	(2,686)	24,429	(3,892)	43,281	52,672
4 a)	Interest Income	4,820	4,550	10,251	8,811	19,141
b)	Other Income	334	9	440	10	288
c)	Total	5,154	4,559	10,691	8,821	19,429
5	Profit/(Loss) before Interest and Exceptional Items(3+4)	2,468	28,988	6,799	52,102	72,101
6	Interest Expense	14,628	1,325	17,045	2,556	6,437
7	Profit/(Loss) after interest but before Exceptional Items (5-6)	(12,160)	27,663	(10,246)	49,546	65,664
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before Tax (7+8)	(12,160)	27,663	(10,246)	49,546	65,664
10	Tax Expense					
a)	Provision for Taxation	1,900	2,600	4,400	4,500	9,000
b)	Provision for Fringe Benefit Tax	-	-	-	-	(71)
c)	Total	1,900	2,600	4,400	4,500	8,929
11	Net Profit/(Loss) from Ordinary Activities after Tax (9+10)	(14,060)	25,063	(14,646)	45,046	56,735
12	Extra Ordinary Items	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11-12)	(14,060)	25,063	(14,646)	45,046	56,735
14	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	42,345	46,580	42,345	46,580
15	Reserves excluding Revaluation Reserves		6,36,354		6,36,354	6,70,233
16	Earning per Share (in Rs.) - Not Annualised					
a)	Basic and diluted EPS before Extraordinary Items	(3.02)	5.92	(3.14)	10.64	13.01
b)	Basic and diluted EPS after Extraordinary Items	(3.02)	5.92	(3.14)	10.64	13.01
17	Public Shareholding					
-	No. of Shares	16,88,56,033	8,41,65,303	16,88,56,033	8,41,65,303	16,88,56,033
-	% of Shareholding	36.25	19.88	36.25	19.88	36.25
18	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	33,92,88,342	29,69,42,977	33,92,88,342	29,69,42,977
-	% of Shares (as a % of a total shareholding of promoter and promoter group)	100	100.00	100	100.00	100.00
-	% of Shares (as a % of a total share capital of the company)	63.75	80.12	63.75	80.12	63.75

Segment-wise Revenue, Results and Capital Employed						(Rs.in lakhs)
SR NO	PARTICULARS	QUARTER ENDED 30TH SEPTEMBER		HALF YEAR ENDED 30TH SEPTEMBER		YEAR ENDED 31.03.2011 (AUDITED)
		2011 (UNAUDITED)	2010 (AUDITED)	2011 (UNAUDITED)	2010 (AUDITED)	
1	Segment Revenue					
	i. Liner Segment	35,074	28,940	62,160	56,629	114129
	ii. Bulk Segment	63,983	67,324	1,30,163	1,30,333	248382
	iii. Others	4,693	5,979	9,100	10,889	19605
	Total	1,03,750	1,02,243	2,01,423	1,97,851	3,82,116
	Unallocated Revenue	334	28	440	37	720
	Total	1,04,084	1,02,271	2,01,863	1,97,888	3,82,836
2	Segment Results					
	Profit/(Loss) before Tax and Interest					
	i. Liner Segment	(159)	3,709	(6,295)	7,114	6246
	ii. Bulk Segment	(4,373)	16,735	(1,362)	29,303	39800
	iii. Others	1,764	4,088	3,715	7,001	12004
	Total	(2768)	24532	(3942)	43418	58050
	Less: Unallocated Expenditure (Net of Income)	(416)	94	(490)	127	5090
	Profit before Interest and Tax	(2352)	24438	(3452)	43291	52960
	Less: Interest Expenses	14,628	1,325	17,045	2,556	6437
	Add: Interest Income	4,820	4,550	10,251	8,811	19141
	Profit before Tax	(12160)	27663	(10246)	49546	65664
3	Capital Employed					
	i. Liner Segment	44,118	67,033	44,118	67,033	47819
	ii. Bulk Segment	7,65,136	4,04,223	7,65,136	4,04,223	672897
	iii. Others	9,024	(12,223)	9,024	(12,223)	(4682)
	Total Capital Employed in Segments	8,18,278	4,59,033	8,18,278	4,59,033	716034
	Unallocable Capital Employed	2,63,482	3,20,867	2,63,482	3,20,867	293258
	Total Capital Employed in Company	10,81,760	7,79,900	10,81,760	7,79,900	1009292

THE SHIPPING CORPORATION OF INDIA LTD.

STATEMENT OF ASSETS & LIABILITIES

Particulars	(Rs. In lakhs)	
	As at 30-09-2011 (Unaudited)	As at 30-09-2010 (Audited)
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
Capital	46,580	42,345
Reserves & Surplus	6,55,312	6,36,354
	7,01,892	6,78,699
LOAN FUNDS		
Secured Loans	5,35,641	3,76,821
	12,37,533	10,55,520
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	12,75,525	9,13,369
Less : Depreciation	4,51,073	4,27,420
Net Block	8,24,452	4,85,949
Assets under Construction (including CWIP & Advance)	1,55,773	2,75,620
	9,80,225	7,61,569
ASSETS HELD FOR DISPOSAL	69	2
INVESTMENTS	29,304	28,027
CURRENT ASSETS, LOANS & ADVANCES		
Inventories	21,049	8,887
Sundry Debtors	61,063	39,188
Cash & Bank Balances	1,91,499	2,31,034
Deposit with Public Financial Institutions	-	52,250
Other Current Assets	24,837	15,499
Amounts advanced to Joint Venture Companies	22,949	22,786
Loans and Advances	11,085	32,163
	3,32,482	4,01,807
Less :		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors & Other Liabilities	94,685	1,01,754
Provisions	9,862	34,131
	1,04,547	1,35,885
NET CURRENT ASSETS	2,27,935	2,65,922
	12,37,533	10,55,520

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LIMITED REVIEW REPORT

To
The Board of Directors,
The Shipping Corporation of India Limited,
Mumbai

We have reviewed the accompanying statement of unaudited financial results of The Shipping Corporation of India Limited, Mumbai (Company) for the Half year ended on 30th September 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 14th November 2011. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements 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 financial statements are 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.

Income and expenditure are accounted based on the data entered / uploaded in the functional software by the agent for which access has been given to them, are not being *prima facie* verified by the Company as confirmed to us, the impact of the same will be accounted on detailed scrutiny as explained to us.

Adjustment of advances given to Vendors / Agents with the liability created towards the actual expenses; and adjustment of advance received / recovery made from Customers on account of freight with the income accrued towards the freight is in the process of being carried out; consequently accuracy of the exchange gain / loss accounted in the books on revaluation and accuracy of the balances of the assets and liability as disclosed in the notes as per Listing requirements are not verifiable and impact of the same on the account is unascertainable

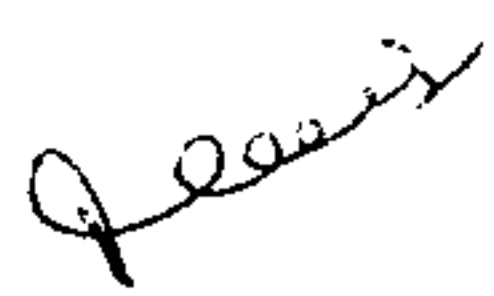


Subject to above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results read with the notes there on, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies thereon has not disclosed the information required to be disclosed in terms of clause 41 of Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **P.S.D. & Associates**

Chartered Accountants,

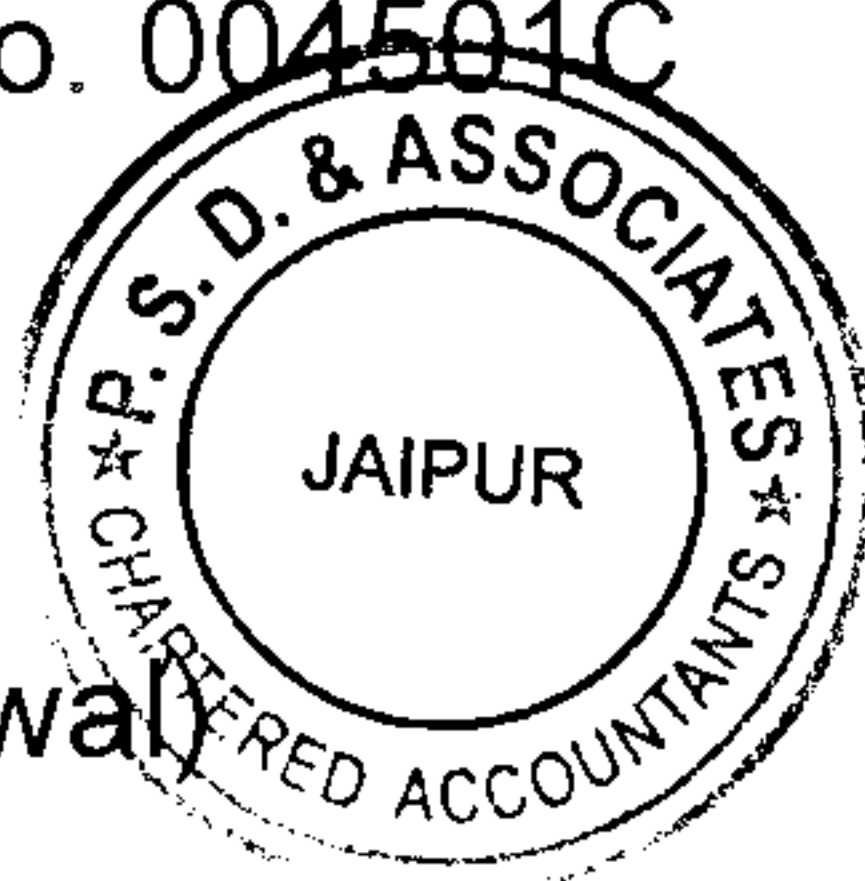
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(Manish Agarwal)

Partner

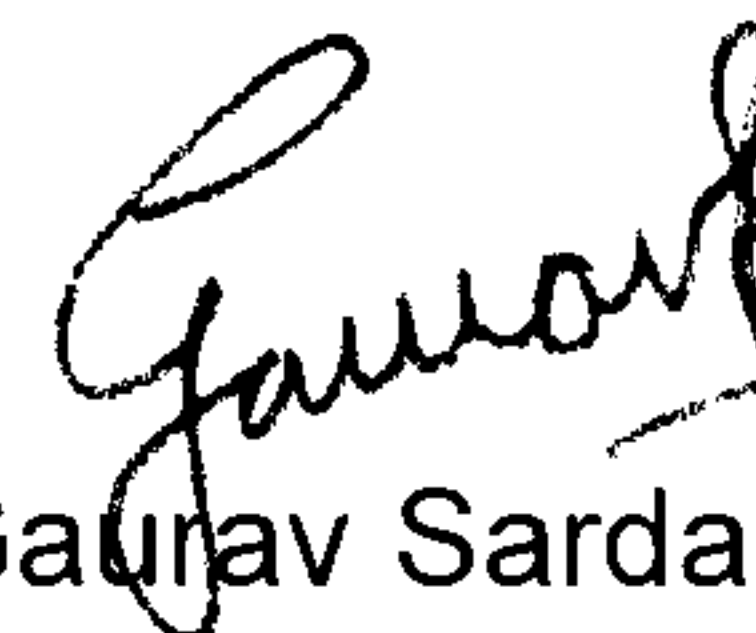
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For **Sarda & Pareek**

Chartered Accountants,

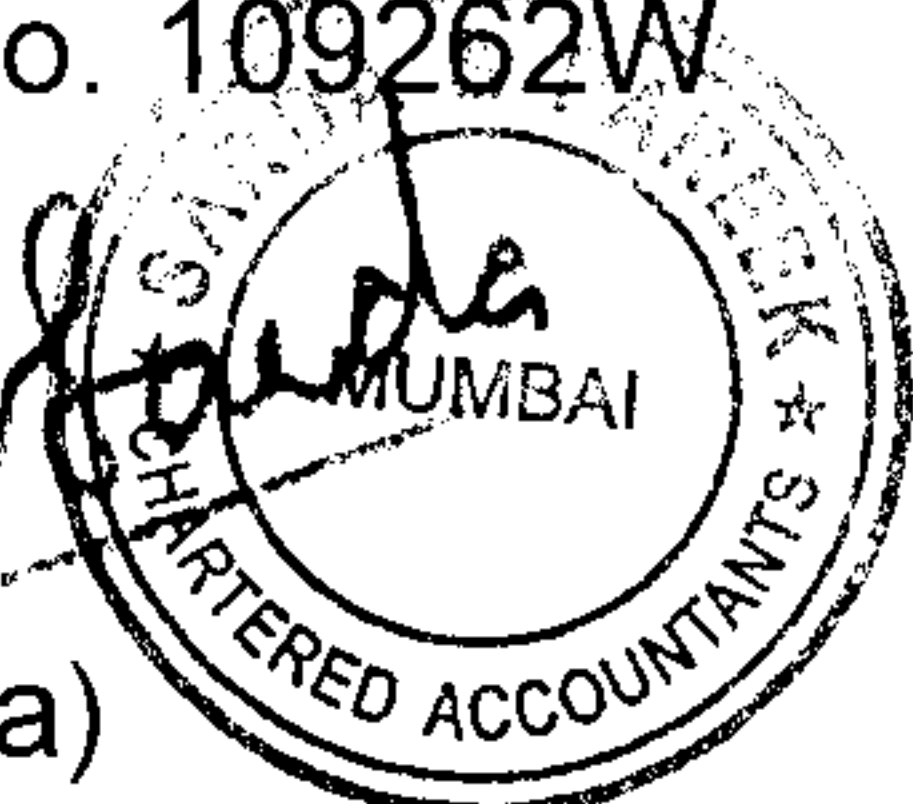
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(Gaurav Sarda)

Partner

M. No. 110208



Place : Mumbai

Date : 14th November 2011

Notes:

1. The above results were reviewed by the Audit Committee in its meeting held on 13.11.2011 and approved by the Board of Directors on 14.11.2011.
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 Status of Investors' complaints for the quarter ended 30th September, 2011 is as under:
Opening Balance – Nil, New – 17, Disposal- 15, Closing Balance – 2
4. Out of the issue Proceeds of FPO amounting to ₹ 58245 lakh (net of Issue Expenses), the Company has utilised an Amount of ₹ 1480 lakhs during the quarter/six months ended 30th September, 2011. The utilisation of FPO proceeds till 31st March, 2011 is ₹ 45326 lakhs and ₹ 46806 lakhs upto 30th September, 2011 which is as per object of the issue for part financing of capital expenditure on projects specified for utilisation and the balance amount has been invested as per the investment policy of the Company.
5. The Corporation has with effect from 1st April 2011 changed the following accounting policies:
 - a) All foreign currency transactions are recorded at the exchange rate of the second last Friday of the preceding month published in Financial Times, London which were earlier recorded at the rate of the last Friday of the preceding month. As a result of this change, there is no material impact on profit for the quarter.
 - b) The value of stock of bunker is arrived at after charging consumption on "Moving Average Price" method against FIFO (First In First Out) method followed upto 31st March 2011. This has resulted in decrease in bunker consumption by ₹ 11 lakhs during the quarter ended 30th September, 2011 and increase in bunker consumption by ₹ 57 lakhs during the six months ended 30th September, 2011
6. The Company has gone live with an integrated ERP system w.e.f 1st March, 2011. The Company has world wide operations in multiple currencies. Some teething problems with the new software are being faced which are not uncommon. These problems are being attended to on priority basis.

The statutory auditors, in their limited review report for the quarter have brought out that;

- a. "Income and expenditure are accounted based on the data entered / uploaded in the functional software by the agent for which access has been given to them, are not being *prima facie* verified by the Company as confirmed to us, the impact of the same will be accounted on detailed scrutiny as explained to us".

With respect to above, it is stated that the freight invoice (for booking income) is raised by the agents against the Bill of lading and reconciled on the basis of manifested data. The expenditure to be incurred by the agents are prefunded after scrutiny of the prefunding claims. The final claims for the expenditure booked by the agent are verified after the physical documents are received from the agent.

The impact of the observation on the profit or loss for the quarter is not expected to be material.

- b. "Adjustment of advances given to Vendors / Agents with the liability created towards the actual expenses; and adjustment of advance received / recovery made from Customers on account of freight with the income accrued towards the freight is in the process of being carried out;

accuracy of the balances of the assets and liability as disclosed in the notes as per Listing requirements are not verifiable and impact of the same on the account is unascertainable.”

A program has been devised in the functional software for matching of freight collectibles and collections and the Company expects the process to be implemented during the third quarter.

The impact of the observation on the profit or loss for the quarter is not expected to be material.

7. Other operating income includes the impact of errors in migrated data rectified amounting to ₹(-) 49 lakhs/ ₹ 3600 lakhs for the quarter/ six months ended 30th September, 2011 which has been booked as prior period income. The segment wise details of such prior period income is as follows:
(in ₹. lakhs)

	Bulk	Liner	Total Prior Period Income/(-) Expenses
Quarter ended 30 th September, 2011	(-) 1864 lakhs	1815 lakhs	(-) 49 lakhs
Six months ended 30 th September, 2011	1785 lakhs	1815 lakhs	3600 lakhs

8. The total foreign exchange loss on foreign currency loans taken for acquisition of ships is ₹ 43316 lakhs/ ₹ 43905 lakhs for the quarter/six months ended 30th September, 2011 Of this,
- ₹ 12593 lakhs/ ₹ 13099 lakhs has been charged as interest expenses in accordance with ASI 10 to AS – 16 “Borrowing Cost” for the quarter/six months ended 30th September, 2011
 - ₹ 30723 lakhs/ ₹ 30806 lakhs has been capitalised to the cost of vessels for the quarter/six months ended 30th September, 2011

Apart from the above, foreign exchange gain of ₹ 10420 lakhs/ ₹ 9597 lakhs for the quarter/six months ended 30th September, 2011 has been included in “Other Operating income”.

9. During the quarter ended 30th September, 2011, the Company took delivery of three Bulk Carriers M.V Vishva Vijeta, DWT 56638 M.V Vishva Malhar DWT 56616, M.V Vishva Nidhi DWT 57145 and one AHTSV M.V SCI Panna DWT 2001.
10. During the quarter ended 30th September, 2011, the Company sold one Bulk Carrier M.V Alaknanda DWT 47222
11. The final dividend amount of ₹2.5 per share was approved by the shareholders in the Annual General Meeting held on 23rd September, 2011 and has been paid on 18th October, 2011
12. 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.



S. Hajara
Chairman & Managing Director

Place: Mumbai
Date: 14/11/2011

