



A Navratna Company
ISO 9001:2008

भारतीय नौवहन निगम लिमिटेड

(भारत सरकार का उद्यम)

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

फोन: 91-22-2202 6666, 2277 2000 फैक्स: 91-22-2202 6905 वेबसाइट: 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. Ph: 91-22 2202 6666, 2277 2000

Fax: 91-22 22026905 • Website: www.shipindia.com

सीआईएन/CIN-L63030MH1950G01008033

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

12.08.2015

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,

**Compliance of Clause 41 of the Listing Agreement
Un-audited Financial Results for the Quarter ended on 30.06.2015**

At the meeting of the Board of Directors of SCI held on 12.08.2015, the un-audited financial results for the quarter ended on 30.06.2015 were approved.

A copy of this pursuant to the clause 41 of the Listing Agreement, along with a copy of the "Review Report" by Auditors of the Company, is enclosed for your information and record.

Thanking you,

Yours faithfully,

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

80⁸ दिपांकर हालदार / DIPANKAR HALDAR
कार्यकारी निदेशक (विधिक मामले) एवं कंपनी सचिव
Executive Director (Legal Affairs) & Company Secretary

THE SHIPPING CORPORATION OF INDIA LTD.
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2015

PART I		Amount in ₹lakhs			
SR NO	PARTICULARS	QUARTER ENDED		YEAR ENDED	
		30.06.2015 Unaudited	31.03.2015 Audited	30.06.2014 Unaudited	31.03.2015 Audited
1 a)	Income from Operations	1,04,574	1,02,832	1,05,774	4,15,373
b)	Other Operating Income	1,072	1,296	676	3,428
c)	Profit on Sale of Ships	-	3,503	2,238	12,055
	Total Income from Operations	1,05,646	1,07,631	1,08,688	4,30,856
2	Expenses				
a)	Employee Cost (shore & floating)	10,294	12,390	9,490	41,362
b)	Bunker	18,111	20,145	38,567	1,18,420
c)	Port dues	9,148	9,190	10,691	36,064
d)	Cargo Handling Expenses	3,539	4,166	4,220	16,418
e)	Repairs & Maintenance	5,888	5,401	6,307	25,946
f)	Charter Hire	13,888	11,653	7,625	47,371
g)	Provisions	151	927	1,639	5,811
h)	Depreciation	14,002	18,975	18,885	77,017
i)	Other Expenses	12,043	11,949	10,582	43,629
	Total Expenses	87,064	94,796	1,08,006	4,12,038
3	Profit from Operations before Other Income, finance costs & Exceptional Items (1-2)	18,582	12,835	682	18,818
4 a)	Interest Income	3,178	3,288	2,560	14,589
b)	Other Income	209	91	8,785	12,146
	Total	3,387	3,379	11,345	26,735
5	Profit before finance cost and Exceptional Items(3+4)	21,969	16,214	12,027	45,553
6	Finance Costs	4,015	3,545	5,328	17,940
7	Profit from ordinary activities after finance cost but before Exceptional Items (5-6)	17,954	12,669	6,699	27,613
8	Exceptional Items	-	-	-	-
9	Profit from Ordinary Activities before Tax (7-8)	17,954	12,669	6,699	27,613
10	Provision for Current Tax	1,600	2,520	1,750	7,520
11	Net Profit from Ordinary Activities after Tax (9-10)	16,354	10,149	4,949	20,093
12	Extra Ordinary Items	-	-	-	-
13	Net Profit (11-12)	16,354	10,149	4,949	20,093
14	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	46,580	46,580	46,580
15	Reserves excluding Revaluation Reserves as per Balance Sheet				6,06,780
16	Earning per Share (in Rs.)				
a)	Basic and diluted EPS before Extraordinary Items	3.51	2.18	1.06	4.31
b)	Basic and diluted EPS after Extraordinary Items	3.51	2.18	1.06	4.31

PART II					
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
	- % of Shareholding	36.25	36.25	36.25	36.25
2	Promoters and promoters group Shareholding				
a)	Pledged / Encumbered				
	- No. of Shares	NIL	NIL	NIL	NIL
	- % of Shares (as a % of a total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL
	- % of Shares (as a % of a total share capital of the company)	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
	- % of Shares (as a % of a total shareholding of promoter and promoter group)	100	100	100	100
	- % of Shares (as a % of a total share capital of the company)	63.75	63.75	63.75	63.75

	Particulars	3 Months ended 30.06.2015
B	INVESTORS COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	-
	Disposed of during the quarter	-
	Remaining unresolved at the end of the quarter/year	-

Segment-wise Revenue, Results and Capital Employed					Amount in ₹lakhs
SR NO	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2015 Unaudited	31.03.2015 Audited	30.06.2014 Unaudited	31.03.2015 Audited
1	Segment Revenue				
	i. Liner Segment	16,545	19,785	25,796	90,185
	ii. Bulk Segment	80,591	79,016	74,097	3,04,651
	iii. Technical & Offshore Segment	8,350	8,492	8,554	34,891
	iv. Others	160	338	241	1,084
	Total	1,05,646	1,07,631	1,08,688	4,30,811
	Unallocated Revenue	209	91	8,785	12,191
	Total	1,05,855	1,07,722	1,17,473	4,43,002
2	Segment Results				
	Profit/(Loss) before Tax and Interest				
	i. Liner Segment	(2,067)	1,365	(88)	1,571
	ii. Bulk Segment	17,796	9,343	(1,742)	4,599
	iii. Technical & Offshore Segment	2,864	2,496	2,762	11,310
	iv. Others	90	267	154	720
	Total	18,683	13,471	1,086	18,200
	Add: Unallocated income (Net of expenditure)	108	(545)	8,381	12,764
	Profit/(Loss) before Interest and Tax	18,791	12,926	9,467	30,964
	Less: Interest Expenses	4,015	3,545	5,328	17,940
	Add: Interest Income	3,178	3,288	2,560	14,589
	Profit/(Loss) before Tax	17,954	12,669	6,699	27,613
3	Capital Employed				
	i. Liner Segment	27,282	25,310	52,555	25,310
	ii. Bulk Segment	10,29,642	9,83,297	10,50,551	9,83,297
	iii. Technical & Offshore Segment	1,32,022	1,31,237	1,24,278	1,31,237
	iv. Others	(91)	(88)	84	(88)
	Total Capital Employed in Segments	11,88,855	11,39,756	12,27,468	11,39,756
	Unallocable Capital Employed	22,416	35,342	38,314	35,342
	Total Capital Employed in Company	12,11,271	11,75,098	12,65,782	11,75,098

Handwritten signatures and initials in blue ink, including a large signature on the left and smaller initials on the right.

Notes:

1. The above results were approved by the Board of Directors at its meeting held on 12.08.2015. In the absence of independent directors, Audit Committee could not be constituted and the results were placed directly before the Board of Directors.
2. Segment Results:
 - a. Segment definitions: Liner segment includes breakbulk, container transport, passenger vessels and also passenger vessels & research vessels managed on behalf of other organisations. Bulk segment includes tankers (both crude and product), dry bulk carriers, gas carriers, phosphoric acid carriers and LNG vessels managed on behalf of joint venture companies. Technical & Offshore services segment include company owned offshore vessels, offshore vessels managed on behalf of other organisations and income from technical consultancy. Others segment include income earned from Maritime Training Institute. Unallocable items and interest income/expenses are disclosed separately.
 - b. Expense & Revenue items are allocated vessel wise wherever possible. Expense & 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.

3. The details of foreign exchange loss/gain for the period/year is as under:

₹ in lakhs		
Period	Capitalised to cost of vessels	Included in "Other income"
For the quarter ended 30 th June ,2015	12000 lakhs (loss)	15 lakhs (gain)
For the quarter ended 31 st March 2015	8005 lakhs (gain)	110 lakhs (loss)
For the quarter ended 30 th June 2014	4 lakhs (loss)	364 lakhs (gain)
For the year ended 31 st March 2015	28260 lakhs (loss)	1169 lakhs (loss)

4. The agency agreement with SCI's agent at UAE ports was terminated w.e.f. 21.03.2015. The Company has invoked revolving bank guarantee to recover outstanding dues of ₹ 1149 lakhs from the agent. However, the agent has got injunction through local court on encashment of bank guarantee. The company has already submitted all the documents to its appointed lawyers to enable the vacation of the injunction. The legal process was delayed due to translation of voluminous documents in Arabic and intervening local holidays due to Eid. The Company is simultaneously pursuing the matter with the agents for reconciliation of accounts. The bank has confirmed its liability to honour the bank guarantee once the Court injunction is lifted. In view of foregoing, no provision is made in books as on 30.06.2015.
5. During the quarter ended 30.06.2015, the company has adopted the useful life of 25 years in respect of Tankers & Offshore vessels which is different from the useful life of 20 years specified in part C of Schedule II to the Companies Act, 2013 based on the technical parameters including design life and the past record.

Further, the company while calculating the depreciation for the quarter has adopted the residual value of all the vessels as 5% of initial cost of vessels as against Re 1/- considered earlier, keeping in view the actual realisation in the past and the limit specified in part 'C' of Schedule II to the Companies Act, 2013.

Consequent to the change, the depreciation for the quarter ended 30.06.2015 is lower & the profit for the quarter ended 30.06.2015 is higher by 5036 lakhs.

MA

6. As per the requirements of Schedule II to the Companies Act, 2013, componentisation of fixed assets is mandatory w.e.f 01.04.2015 where the cost of a part of the asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset. In order to comply with this requirement, the Company is in the process of studying whether the cost of a part of the vessel is significant to total cost of the vessel and useful life of that part is different from the useful life of the vessel. During the initial studies, the Company could not identify any component having cost which is significant to the cost of the vessel and having useful life different from useful life of vessel. The changes, if required on further detailed study, will be implemented in the subsequent period.
7. These results have been reviewed by the statutory auditors of the Company.
8. The auditors in their limited review report for the quarter ended 30th June 2015 have brought out that;
 - a. The direct access of overseas foreign agents to fund collected on account of freight and other charges in the absence of matching bank guarantees, any policy on fixation of credit limits based on credit rating & other factors and regular monitoring mechanism is prone to risk of non /short-payment, the consequential effect of which on the unaudited results for the quarter remains unascertainable.
 - b. The provision for expenses on self lease of staffs and officers from 01.04.2011 to 31.03.2015 has not been made, pending the requirement to enter into individual agreements between the company and each of the eligible employees for such period.
 - c. The company is in the process of carrying out the final exercise of identifying the component of the Fixed Asset whose cost is significant to total cost of the asset and determining the useful life of such component wherever the useful life of such part is different from the useful life of the remaining asset pursuant to mandatory requirement of Note no. 4 to Part 'C' of schedule II to the Companies Act, 2013, in the absence of which the impact to that extent on the results remains unascertained (Refer Note No. 6 to the statement).
 - d. The system should ensure the raising of all the invoices after the completion of voyage in case of liner division .

The management's views on the above observations are as below:

- a. SCI has opened bank accounts in its name for collection of freight and other charges directly from customers at all ports except the ports where local laws do not permit opening such accounts by non resident companies. Rating of agents is done bi-annually. Bank guarantee amounts are constantly revised depending on freight collections. Agents' performance, remittances, accounts and outstanding are regularly monitored at various levels. Minimum freight guidelines (MFG) module is already implemented in ERP for all major container ports and agents cannot book freight below the level fixed by SCI management. MFG is revised periodically.



- b. Applications for the period 01.04.2011 to 31.03.2015 are still being verified and the eligibility of the officers is being decided. No agreement has been signed by the company with the employees for this period and thus the amount, if any, payable cannot be estimated presently.
 - c. Please refer note no.6 above. The company does not expect material impact on the Profit and Loss Account for the quarter ended 30.06.2015.
 - d. The invoicing in the ERP system is dependent on the completion of the transaction i.e. delivery of the cargo to the consignee. At any given point of time there are several cargoes which remain undelivered either because the cargo has not yet reached the end destination or the consignee has not cleared the cargoes. However, income from such cargoes is manually booked in the books of accounts.
9. 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.



A.K.Gupta

Chairman & Managing Director

Place: Mumbai
Date: 12.08.2015



LIMITED REVIEW REPORT

To,
The Board of Directors,
THE SHIPPING CORPORATION OF INDIA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **THE SHIPPING CORPORATION OF INDIA LIMITED (the company)** for the quarter ended 30th June, 2015 ('the statement') prepared by the Company pursuant to the clause 41 of the Listing Agreements with the stock exchanges in India, 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 reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. On the basis of review of the unaudited financial results, we report that:
 - a) The direct access of overseas foreign agents to fund collected on account of freight and other charges in the absence of matching bank guarantees, any policy on fixation of credit limits based on credit rating & other factors and regular monitoring mechanism is prone to risk of non /short-payment, the consequential effect of which on the unaudited results for the quarter remains unascertainable.
 - b) The provision for expenses on self lease of staffs and officers from 01.04.2011 to 31.03.2015 has not been made, pending the requirement to enter into individual agreements between the company and each of the eligible employees for such period.



c) The company is in the process of carrying out the final exercise of identifying the component of the Fixed Asset whose cost is significant to total cost of the asset and determining the useful life of such component wherever the useful life of such part is different from the useful life of the remaining asset pursuant to mandatory requirement of Note no. 4 to Part 'C' of schedule II to the Companies Act, 2013, in the absence of which the impact to that extent on the results remains unascertained (Refer Note No. 6 to the statement).

d) The system should ensure the raising of all the invoices after the completion of voyage in case of liner division.

4. Based on our review conducted as above, except for the possible effects of the matters described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results, has not been prepared in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges including the manner in which it is to be disclosed or that it contains any material misstatement.

For MKPS & Associates
Chartered Accountants
FRN. 302014E


CA Nikhil Kumar Agrawalla
Partner
M.No.157955



For GMJ & Co
Chartered Accountants
FRN. 103429W


CA Atul Jain
Partner
M.No. 037097



PLACE: MUMBAI
DATE : 12th August, 2015