

THE SHIPPING CORPORATION OF INDIA LTD.
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

PART I						
SR NO	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2013 Audited	31.12.2012 Unaudited	31.03.2012 Audited	31.03.2013 Audited	31.03.2012 Audited
1 a)	Net Sales/Income from Operations	96,069	1,01,097	1,01,759	4,15,252	382080
b)	Other Operating Income	(481)	2,071	2,067	8,707	21,263
c)	Profit on Sale of Ships	1,769	-	6,764	12,101	27,518
	Total Income	97,357	1,03,168	1,10,590	4,36,060	4,30,861
2	Expenditure -					
a)	Cost of Materials Consumed	NA	NA	NA	NA	NA
b)	Purchases of stock - in - trade	NA	NA	NA	NA	NA
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	NA	NA	NA	NA	NA
d)	Employee Cost (ashore & floating)	11,866	12,456	12,501	47,823	44572
e)	Bunker	39,487	36,552	45,518	1,58,158	156034
f)	Port dues	9,420	8,812	11,821	38,680	42518
g)	Cargo Handling Expenses	8,420	1,474	3,273	22,088	32060
h)	Repairs & Maintenance	7,468	6,644	5,286	27,278	22586
i)	Charter Hire	7,536	10,010	13,616	44,464	41459
j)	Provisions	10,328	274	1,233	13,211	2194
k)	Depreciation	20,238	19,332	16,315	76,052	60872
l)	Other Expenditure	10,028	12,975	25,078	42,424	42,996
m)	Total	124791	108529	134641	470178	445291
3	Profit / (Loss) from Operations before Other Income, finance costs & Exceptional Items (1-2)	(27,434)	(5,361)	(24,051)	(34,118)	(14,430)
4 a)	Interest Income	2,364	2,580	3,393	10,729	18344
b)	Other Income	2,083	141	275	2,751	814
c)	Total	4,447	2,721	3,668	13,480	19,158
5	Profit / (Loss) before finance cost and Exceptional Items(3+4)	(22,987)	(2,640)	(20,383)	(20,638)	4,728
6	Finance Costs	5,096	4,662	11,402	16,181	38730
7	Profit / (Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	(28,083)	(7,302)	(31,785)	(36,819)	(34,002)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before Tax (7-8)	(28,083)	(7,302)	(31,785)	(36,819)	(34,002)
10	Tax Expense	-				
a)	Provision for Taxation	786	224	3,800	5,010	9900
b)	Excess Provision Written Back	(424)	-	-	(424)	(1,081)
c)	Total	362	224	3,800	4,586	8,819
11	Net Profit / (Loss) from Ordinary Activities after Tax (9-10)	(28445)	(7526)	(35585)	(41405)	(42821)
12	Extra Ordinary Items	(301)	-	-	(29,974)	-
13	Net Profit/ (Loss) for the period (11-12)	(28144)	(7526)	(35585)	(11431)	(42821)
14	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	46,580	46,580	46,580	46,580
15	Reserves excluding Revaluation Reserves				6,15,035	6,26,852
16	Earning per Share (in Rs.)					
a)	Basic and diluted EPS before Extraordinary Items	(6.11)	(1.62)	(7.64)	(8.89)	(9.19)
b)	Basic and diluted EPS after Extraordinary Items	(6.04)	(1.62)	(7.64)	(2.45)	(9.19)

PART II**Select Information for the Quarter and Year ended 31/03/2013**

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 31.03.2013
B INVESTORS COMPLAINTS		
	Pending at the beginning of the quarter	0
	Received during the quarter	5
	Disposed of during the quarter	5
	Remaining unresolved at the end of the quarter	0

Segment-wise Revenue, Results and Capital Employed

Amount in ₹ lakhs

SR NO	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2013 Audited	31.12.2012 Unaudited	31.03.2012 Audited	31.03.2013 Audited	31.03.2012 Audited
1	Segment Revenue					
	i. Liner Segment	25817	27966	24112	115689	117441
	ii. Bulk Segment	60906	63923	78408	279901	290072
	iii. Others	10634	11279	7951	40470	23255
	Total	97357	103168	110471	436060	430768
	Unallocated Revenue	2384	141	394	32,725	907
	Total	99741	103309	110865	468785	431675
2	Segment Results					
	Profit/(Loss) before Tax and Interest					
	i. Liner Segment	(3680)	1410	(22461)	(3157)	(31166)
	ii. Bulk Segment	(18117)	(11044)	(5617)	(36774)	6789
	iii. Others	4163	4277	4017	15597	10035
	Total	(17634)	(5357)	(24061)	(24334)	(14342)
	Less: Unallocated Expenditure (Net of Income)	7717	(137)	(285)	7033	(726)
	Profit before Interest and Tax	(25351)	(5220)	(23776)	(31367)	(13616)
	Less: Interest Expenses	5096	4662	11402	16181	38730
	Add: Interest Income	2364	2580	3393	10729	18344
	Profit before Tax	(28083)	(7302)	(31785)	(36819)	(34002)
3	Capital Employed					
	i. Liner Segment	100905	86619	82474	100905	82474
	ii. Bulk Segment	1061444	1070042	898272	1061444	898272
	iii. Others	116908	142041	82015	116908	82015
	Total Capital Employed in Segments	1279257	1298702	1062761	1279257	1062761
	Unallocable Capital Employed	71464	161497	135796	71464	135796
	Total Capital Employed in Company	1350721	1460199	1198557	1350721	1198557

THE SHIPPING CORPORATION OF INDIA LTD.

STATEMENT OF ASSETS AND LIABILITIES	As at 31-03-2013 (Audited)	As at 31-03-2012 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share Capital	46,580	46,580
b) Reserves & Surplus	6,15,035	6,26,852
2 Non-current liabilities		
a) Long- term borrowings	6,82,264	5,52,578
b) Other long-term liabilities	841	1,002
c) Long- term provisions	10,899	7,744
3 Current liabilities		
a) Short term Borrowings	45,704	-
b) Trade payables	80,358	60,376
c) Other current liabilities	1,20,323	1,02,003
d) Short- term provisions	7,616	6,680
TOTAL EQUITY AND LIABILITIES	16,09,620	14,03,815
B ASSETS		
1 Non-current assets		
a) Fixed Assets		
(i) Tangible assets	11,50,651	8,87,160
(ii) Intangible assets	3,327	4,115
(iii) Assets Retired from Active use (Prev. yr.Rs. 0.10 lakhs)	47	-
(iv) Capital work-in-progress	18,945	36,199
b) Non- current investments	17	19,236
c) Long-term loans and advances	1,67,185	1,70,501
d) Other non-current assets	511	500
2 Current assets		
a) Current investments	11,769	8,231
b) Inventories	18,346	17,745
c) Trade receivables	88,641	78,593
d) Cash & cash equivalents	1,26,478	1,44,241
e) Short-term loans and advances	15,468	19,703
f) Other current assets	8,235	17,591
TOTAL - ASSETS	16,09,620	14,03,815

Notes:

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28.05.2013.
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:

Period	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 March 2013	4567 lakhs (gain)	NIL	49 lakhs (loss)
For the quarter ended 31 st December, 2012	25484 lakhs (loss)	NIL	1277 lakhs (gain)
For the quarter ended 31 st March 2012	31810 lakhs (gain)	8731 lakhs (loss)	13013 lakhs (loss)
For the year ended 31 st March, 2013	74654 lakhs (loss)	NIL	2365 lakhs (loss)
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 year ended March 31, 2013 & Fixed Assets as on March 31, 2013 is higher by ₹ 27879 lakh and depreciation is higher by ₹ 2095 lakhs.
5. The company has provided for diminution in value of its investments in its Joint Venture Company SCI Forbes of ₹ 4460 lakhs and in Sethusamudram Corporation Ltd. of ₹ 5000 lakhs
6. During the quarter ended 31st March, 2013, the Company took delivery of one AHTSV (Anchor handling towing cum supply vessel) M.V SCI Urja of DWT 2067 GT.

7. During the quarter ended 31st March, 2013, the Company sold 2 AHTSVs SCI-04 of DWT 1812 & SCI-01 of DWT 1775 and one Bulk Carrier M. V Lok Prem of DWT 26714.
8. The auditors in their audit report for the year ended 31st March, 2013 have brought out that;
 - a. The Company has not complied with the requirements of AS – 28 – Impairment of Assets, issued by ICAI, the effect of which is unascertainable.
 - b. The accuracy of exchange gain / loss in respect of customer reconciliation / advances received from customers / trade payables recognized on revaluation as per accounting standard-11- “The effects of changes in foreign exchange rates” remains unverifiable and unascertainable.
 - c. The Company is unable to provide confirmation for accounts receivable, accounts of agents. In the absence of the reasonable audit evidence, the effect of the same remains unascertainable/unverifiable on the statement of profit and loss account and balance sheet.
 - d. We draw attention towards the direct access of the Accounting Software provided to the Agents for accounting of expenses relating to the port and 83% of the same are yet to be verified by the Company, the consequential effect of the same on the statement of profit and loss remains unascertainable.

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

- a. 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 last 3 years. As per the calculations, there is no impairment on the assets hence provision for impairment is not considered necessary.
- b. The company has developed software to match the collectibles and collections related to customers. Substantial progress has been achieved in this regard upto 31st March 2013.

In case of vendors, the expenditure incurred by the agents are prefunded through Proforma Disbursement Account after scrutiny of the prefunding claims. The final claims for the expenditure booked by the agent are received through Final Disbursement Account which are verified after the physical documents are received from the agent. This process takes time due to the nature of the business.

We do not expect any material impact on the profit/loss due to this.

- c. We have sent letters seeking confirmation of balances to all our major debtors. However; the confirmations have not been received. This does not have material impact on the accounts of the company.
- d. SCI has a worldwide network of agents. As per the system adopted by the company, port related expenses are booked by the agents. The same are subsequently verified by an external firm. About 45 % of the expenses have been verified by the company and the balance is in process. From our past experience it has been observed that relatively minor amount of expenses are disallowed by the company subsequently.

9. The audited annual accounts are subject to review by the Comptroller & Auditor General of India under section 619 (4) of the Companies Act, 1956
10. 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: 28.05.2013