

THE SHIPPING CORPORATION OF INDIA LTD.

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2016

(₹ in lakhs)

Sr No.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED	
		30.09.2016 (UNAUDITED)	30.06.2016 (UNAUDITED)	30.09.2015 (UNAUDITED)	30.09.2016 (UNAUDITED)	30.09.2015 (UNAUDITED)
1 a)	Income from Operations	74,977	81,437	1,08,338	1,56,414	2,14,303
b)	Other Operating Income	898	1,518	784	2,416	1,856
	<b>Total Income from Operations</b>	<b>75,875</b>	<b>82,955</b>	<b>1,09,122</b>	<b>1,58,830</b>	<b>2,16,159</b>
2	<b>Expenditure -</b>					
a)	Employee Cost (shore & floating)	9,994	11,283	11,784	21,277	22,200
b)	Bunker	15,110	14,203	19,210	29,313	37,988
c)	Port dues	9,729	9,263	8,861	18,992	17,826
d)	Cargo Handling Expenses	3,761	4,677	5,764	8,438	9,210
e)	Repairs & Maintenance	7,973	6,368	5,541	14,341	10,916
f)	Charter Hire	6,844	6,349	15,999	13,193	29,710
g)	Provisions	227	444	678	671	847
h)	Depreciation	14,047	13,485	13,500	27,532	26,319
i)	Other Expenses	8,935	8,994	10,628	17,929	21,330
	Total Expenses	76,620	75,066	91,965	1,51,686	1,76,346
3	<b>Profit/(Loss) from Operations before Other Income, finance costs &amp; Exceptional Items (1-2)</b>	<b>(745)</b>	<b>7,889</b>	<b>17,157</b>	<b>7,144</b>	<b>39,813</b>
4 a)	Interest Income	2,978	2,704	2,692	5,682	5,870
b)	Other Income	1,724	843	2,616	2,567	2,775
	Total	4,702	3,547	5,308	8,249	8,645
5	<b>Profit before finance cost and Exceptional Items(3+4)</b>	<b>3,957</b>	<b>11,436</b>	<b>22,465</b>	<b>15,393</b>	<b>48,458</b>
6	Finance Costs	4,182	4,170	4,382	8,352	8,679
7	<b>Profit/(Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)</b>	<b>(225)</b>	<b>7,266</b>	<b>18,083</b>	<b>7,041</b>	<b>39,779</b>
8	Exceptional Items	-	-	-	-	-
9	<b>Profit/(Loss) from Ordinary Activities before Tax (7-8)</b>	<b>(225)</b>	<b>7,266</b>	<b>18,083</b>	<b>7,041</b>	<b>39,779</b>
10	Provision for Current Tax	1,775	1,675	1,900	3,450	3,500
11	<b>Net Profit/(Loss) from Ordinary Activities after Tax (9-10)</b>	<b>(2,000)</b>	<b>5,591</b>	<b>16,183</b>	<b>3,591</b>	<b>36,279</b>
12	Extra Ordinary Items	-	-	-	-	-
13	<b>Net Profit/(Loss) (11-12)</b>	<b>(2,000)</b>	<b>5,591</b>	<b>16,183</b>	<b>3,591</b>	<b>36,279</b>
14	Share of Profit/ (Loss) of associates*	-	-	-	-	-
15	Minority Interest*	-	-	-	-	-
16	<b>Net Profit/ (Loss) after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)</b>	<b>(2,000)</b>	<b>5,591</b>	<b>16,183</b>	<b>3,591</b>	<b>36,279</b>
17	<b>Other Comprehensive Income/(Loss) (after tax)</b> <i>Items that will not be reclassified subsequently to profit or loss</i>					
	Remeasurement of the net defined benefit plans	1,197	(271)	122	926	244
18	<b>Total Comprehensive Income/(Loss) (after tax) (16+17)</b>	<b>(803)</b>	<b>5,320</b>	<b>16,305</b>	<b>4,517</b>	<b>36,523</b>
19	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	46,580	46,580	46,580	46,580
20	Earning per Share (in Rs.) (not annualised)					
a)	Basic and diluted EPS before Extraordinary Items	(0.43)	1.20	3.47	0.77	7.79
b)	Basic and diluted EPS after Extraordinary Items	(0.43)	1.20	3.47	0.77	7.79

\* in case of consolidated results

Segment-Wise Revenue, Results, Assets and Liabilities				(₹ in lakhs)		
SR NO	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED	
		30.09.2016 (UNAUDITED)	30.06.2016 (UNAUDITED)	30.09.2015 (UNAUDITED)	30.09.2016 (UNAUDITED)	30.09.2015 (UNAUDITED)
1	<b>Segment Revenue</b>					
	i. Liner	10,541	9,031	13,826	19,572	30,219
	ii. Bulk Carrier	5,341	4,824	6,364	10,165	12,781
	iii. Tanker	56,353	63,158	79,197	1,19,511	1,54,911
	iv. Technical & Offshore	3,907	5,320	9,209	9,227	17,560
	v. Others	305	622	525	927	685
	Total	76,447	82,955	1,09,121	1,59,402	2,16,156
	Unallocated Revenue	1,152	843	2,617	1,995	2,778
	Total	77,599	83,798	1,11,738	1,61,397	2,18,934
2	<b>Segment Results</b>					
	Profit/(Loss) before Tax and Interest					
	i. Liner	(3,213)	(4,762)	(5,305)	(7,975)	(6,644)
	ii. Bulk Carrier	(4,971)	(5,395)	(3,625)	(10,366)	(5,947)
	iii. Tanker	8,174	16,394	22,175	24,568	45,593
	iv. Technical & Offshore	(333)	1,176	3,515	843	6,424
	v. Others	210	507	479	717	568
	Total	(133)	7,920	17,239	7,787	39,994
	Add: Unallocated income (Net of expenditure)	1,112	812	2,534	1,924	2,594
	Profit before Interest and Tax	979	8,732	19,773	9,711	42,588
	Less: Interest Expenses	4,182	4,170	4,382	8,352	8,679
	Add: Interest Income	2,978	2,704	2,692	5,682	5,870
	Profit/(Loss) before Tax	(225)	7,266	18,083	7,041	39,779
3	<b>Segment Assets</b>					
	i. Liner	61,911	56,761	64,367	61,911	64,367
	ii. Bulk Carrier	1,78,275	1,84,037	1,86,953	1,78,275	1,86,953
	iii. Tanker	6,80,881	6,89,757	7,09,339	6,80,881	7,09,339
	iv. Technical & Offshore	1,26,769	1,29,342	1,34,474	1,26,769	1,34,474
	v. Others	532	534	146	532	146
	Total Segment Assets	10,48,368	10,60,431	10,95,279	10,48,368	10,95,279
	Unallocable Assets	3,90,176	3,98,318	3,45,316	3,90,176	3,45,316
	Total Assets	14,38,544	14,58,749	14,40,595	14,38,544	14,40,595
4	<b>Segment Liabilities</b>					
	i. Liner	85,748	91,822	85,823	85,748	85,823
	ii. Bulk Carrier	10,774	8,913	635	10,774	635
	iii. Tanker	63,696	58,535	46,645	63,696	46,645
	iv. Technical & Offshore	12,820	13,509	13,162	12,820	13,162
	v. Others	467	54	165	467	165
	Total Segment Liabilities	1,73,505	1,72,833	1,46,430	1,73,505	1,46,430
	Unallocable Liabilities	5,46,599	5,70,343	6,66,686	5,46,599	6,66,686
	Total Liabilities	7,20,104	7,43,176	8,13,116	7,20,104	8,13,116

**THE SHIPPING CORPORATION OF INDIA LTD.**

**Unaudited Statement of Standalone Assets and Liabilities as at September 30, 2016**

(₹ in lakhs)

Particulars	As at 30.09.2016
<b>ASSETS</b>	
<b>Non-Current Assets</b>	
Property, plant And equipment	11,57,568
Capital work-in-progress	287
Other Intangible assets	136
Financial Assets	
i. Investments	2,734
ii. Loans	29,406
iii. Other Financial Assets	320
Income Tax Assets(Net)	10,828
Other non-current assets	6,073
<b>Total non-current assets</b>	<b>12,07,352</b>
<b>Current assets</b>	
Inventories	9,376
Financial assets	
i. Investments	10
ii. Trade receivables	50,991
iii. Cash and cash equivalents	19,148
iv. Bank balances other than (iii) above	1,05,786
v. Other financial assets	22,782
Other current assets	23,032
	2,31,125
Asset classified as held for sale	67
<b>Total current assets</b>	<b>2,31,192</b>
<b>Total assets</b>	<b>14,38,544</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity share capital	46,580
Other Equity	6,71,860
<b>Total Equity</b>	<b>7,18,440</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
i. Borrowings	3,94,100
ii. Other financial liabilities	30
Provisions	14,031
<b>Total non-current liabilities</b>	<b>4,08,161</b>
<b>Current liabilities</b>	
Financial liabilities	
i. Borrowings	27,825
ii. Trade payables	1,00,944
iii. Other financial liabilities	1,59,542
Other current liabilities	21,917
Provisions	1,715
<b>Total current liabilities</b>	<b>3,11,943</b>
<b>Total liabilities</b>	<b>7,20,104</b>
<b>Total equity and liabilities</b>	<b>14,38,544</b>

Notes:

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 16.11.2016.
2. The Company has adopted Indian Accounting Standards (Ind- AS) with the transition date of April 1, 2015. The impact of transition to Ind-AS as on transition date has been provided in the Opening Reserves as on 01.04.2015. Financial results for the quarter and half year ended 30th September 2016 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently, results for the quarter and half year ended 30th September 2015 have been restated to comply with Ind-AS to make them comparable. The financial results for the quarter and half year ended 30th September 2015 and 30th September 2016 have been prepared in accordance with the recognition and measurement principles laid down in Ind AS – 34 “Interim Financial Reporting” prescribed under section 133 of the Companies Act, 2013 read with relevant rules there under and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated July 05, 2016.
3. The format for unaudited quarterly results as prescribed in SEBI’s circular dated November 30, 2015 has been modified to comply with the requirements of SEBI’s circular dated July 5, 2016, Ind AS and Schedule III to the Companies Act, 2013.
4. The statement does not include Ind AS compliant financial results and balance sheet for the previous year ended 31<sup>st</sup> March 2016 as the same is not mandatory as per SEBI’s circular dated 5<sup>th</sup> July 2016.
5. The auditors of the company have jointly carried out a Limited Review of the financial results for the quarter and half year ended September 30, 2016. The Ind AS compliant corresponding figures of the corresponding quarter and half year ended 30.09.2015 have not been subjected to a limited review or an audit. However, the management has exercised due diligence to ensure that such financial results provide a true and fair view.

6. **Reconciliation of Profit between IND AS and Previous GAAP**

(₹ in lakhs)

Nature of Adjustments	Profit Reconciliation	
	Quarter Ended 30.09.2015 (Unaudited)	Half Year Ended 30.09.2015 (Unaudited)
Net Profit/(Loss) as reported under previous GAAP	16,121	32,475
Re- classification of Net Actuarial gain on Employee defined benefit obligations	(122)	(244)
Accounting for Incomplete Voyage revenue and expense	(1,062)	1,478
Impact on depreciation and Repair Costs due to fair valuation of certain items of Property, Plant and Equipment and capitalization of dry-dock expenses	3,106	4,815
Effective Interest Rate Accounting	(272)	(544)
Others	(1,588)	(1,701)
Net Profit under Ind AS	16,183	36,279

7. Segment Results:

- a. Segment definitions: Liner segment includes break-bulk, container transport passenger vessels and research vessels managed on behalf of other organisations. Bulk Carriers include dry bulk carriers. Tankers segment includes both crude and product carriers, gas carriers, phosphoric acid carriers. Technical and Offshore services segment includes 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 and Revenue items are allocated vessel wise wherever possible. Expenses 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 and 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. Agent Advances are allocated to segments in the ratio of expenses booked by agents during the period.

8. 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 <sup>th</sup> Sep 2016	6,469 lakhs (gain)	1,097 lakhs (gain)
For the quarter ended 30 <sup>th</sup> June 2016	10,121 lakhs (loss)	1,949 lakhs (loss)
For the quarter ended 30 <sup>th</sup> Sep 2015	20,924 lakhs (loss)	1,311 lakhs (gain)
For the half year ended 30 <sup>th</sup> Sep 2016	3,652 lakhs (loss)	852 lakhs (loss)
For the half year ended 30 <sup>th</sup> Sep 2015	32,924 lakhs (loss)	1,279 lakhs (gain)

9. The auditors in their audit report for the quarter ended 30th September 2016 have brought out that;

- a) Adherence to Internal control systems including cut off procedures needs to be strengthened.
- b) The company is in the process of completing the exercise of ascertaining and accounting the impacts, if any, consequent to transition to Indian Accounting Standards issued under Companies (Indian Accounting Standards) Rules 2015 in respect of estimation and accounting of expected credit losses and fair valuation of employee loans.

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

- a) Noted. However, the company does not expect any material impact of this on the statement of profit and loss.
- b) The Company has been making provision for doubtful debts in respect of all receivables outstanding for more than 3 years and on case to case basis in respect of receivables outstanding for less than 3 years. Expected credit losses policy and fair valuation of employee loan is under process. However, the company does not expect any material impact on the statement of profit and loss.

10. During the quarter ended 30<sup>th</sup> September 2016, the Company sold a Bulk Carrier Vessel M.V. Goa of 45801 DWT and the profit on sale of vessel is shown under Other Income.
11. During the quarter ended 30<sup>th</sup> September 2016, a wholly owned subsidiary company "Inland and Coastal Shipping Limited" was incorporated on 29<sup>th</sup> September 2016.
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.

Capt. Anoop Kumar Sharma  
Chairman and Managing Director

Place: Mumbai  
Date: 16.11.2016