

**V.SANKAR AIYAR & Co.**  
Chartered Accountants  
2-C, Court Chambers,  
35 New Marine Lines,  
Mumbai - 400 020

**CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
15/17, Raghavji 'B' Bldg., Ground Floor,  
Raghavji Road, Gowalia Tank,  
Off Kemps Corner, Mumbai-400036  
LLP Registration No.–AAC 8909

**Independent Auditor's Review Report on the Unaudited Standalone Financial Results of The Shipping Corporation of India Ltd. for the Quarter and Half Year ended September 30, 2020, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To The Board of Directors  
The Shipping Corporation of India Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **The Shipping Corporation of India Limited** (the "Company") for the quarter and half year ended September 30, 2020 (the 'Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulation").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free from material misstatement. A review is limited primarily to inquiries of the 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.
4. Based on our review conducted and procedure performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results, prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters to the Statement:
  - i. Note 9 of the Statement which states that trade receivables, trade payables and deposits are subject to independent confirmations, subsequent reconciliation and consequential adjustments, if any, as on September 30, 2020.
  - ii. Note 10 to the Statement which states that the C&AG in its report no.13 of 2019 has reported the payment of Performance Related Pay (PRP) of Rs.1,103 lakhs in violation of DPE guidelines for the FY 2014-15 with respect to two issues i.e. identification of Core and Non-Core income and observing 'Bell Curve' approach in PRP calculation. The Company has taken up the matter with the Ministry of Shipping for resolving the same.
  - iii. Note 14 of the Statement regarding accounting treatment of foreign currency loans amounting to USD 41.45 mn refinanced by the Company during the quarter and half year ended September 30, 2020. The Company is of the view that the terms of refinanced loan does not amount to substantial modification of terms of the existing loan and accounted the same as a continuation of existing loan.



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- iv. Note 15 of the Statement which states that the Company has been selected for Strategic Disinvestment with Management Control by the Government of India. The disinvestment process and the procedural aspects in relation to the same are in progress.

Our conclusion on the Statement is not modified in respect of these matters.

6. The Statement includes comparative figures for the previous quarter ended June 30, 2020, corresponding quarter and half year ended September 30, 2019, which were reviewed by the joint auditors of the company, one of whom were predecessor audit firm and they had expressed an unmodified conclusion vide their reports dated August 7, 2020 and November 6, 2019 respectively.

The Statement also includes figures for the year ended March 31, 2020 which were audited by the joint auditors of the company, one of whom were predecessor audit firm and they had expressed an unmodified opinion on standalone financial statements vide their report dated May 29, 2020.

For V.Sankar Aiyar & Co.,  
Chartered Accountants  
FRN – 109208W



G.Sankar  
Partner  
M. No. 046050  
UDIN: 20046050AAAAHM6579



For CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
FRN - 101872W/W100045



Dhananajay Jaiswal  
Partner  
M. No. 187686  
UDIN: 20187686AAAAAP9993



Place: Mumbai  
Date: November 06, 2020

**THE SHIPPING CORPORATION OF INDIA LTD.**  
**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2020**

(₹ in lakhs)

Sr No.	Particulars	STANDALONE					
		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2020 (UNAUDITED)	30.06.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	30.09.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.03.2020 (AUDITED)
1	Revenue from operations	84,321	114,346	97,444	198,667	189,339	442,544
2	Other income	3,366	3,497	8,112	6,863	10,767	24,295
3	<b>Total Income (1+2)</b>	<b>87,687</b>	<b>117,843</b>	<b>105,556</b>	<b>205,530</b>	<b>200,106</b>	<b>466,839</b>
4	<b>Expenses</b>						
	Cost of services rendered	51,646	49,775	64,057	101,421	124,587	255,825
	Employee benefits expense	11,213	11,280	11,251	22,493	22,677	47,654
	Finance costs	(5,478)	4,982	13,257	(496)	17,460	36,413
	Depreciation and amortisation expense	15,897	15,879	16,789	31,776	33,735	67,127
	Other expenses	1,071	2,769	4,256	3,840	7,937	25,069
	<b>Total expenses (4)</b>	<b>74,349</b>	<b>84,685</b>	<b>109,610</b>	<b>159,034</b>	<b>206,396</b>	<b>432,088</b>
5	<b>Profit before exceptional items (3-4)</b>	<b>13,338</b>	<b>33,158</b>	<b>(4,054)</b>	<b>46,496</b>	<b>(6,290)</b>	<b>34,751</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit/(Loss) before tax (5-6)</b>	<b>13,338</b>	<b>33,158</b>	<b>(4,054)</b>	<b>46,496</b>	<b>(6,290)</b>	<b>34,751</b>
8	Tax expense						
	Current tax	1,199	1,410	1,600	2,609	3,300	4,850
	Tax pertaining to earlier years	-	-	-	-	-	154
	Deferred tax	(974)	-	-	(974)	-	(1,622)
	MAT Credit Entitlement	-	-	-	-	-	1,134
	<b>Total tax expense (8)</b>	<b>225</b>	<b>1,410</b>	<b>1,600</b>	<b>1,635</b>	<b>3,300</b>	<b>4,516</b>
9	<b>Profit/(Loss) for the period (7-8)</b>	<b>13,113</b>	<b>31,748</b>	<b>(5,654)</b>	<b>44,861</b>	<b>(9,590)</b>	<b>30,235</b>
10	Other comprehensive income						
	Items that will not be reclassified to profit or loss:						
	Remeasurements gain/(loss) of defined benefit plans	998	366	141	1,364	282	1,462
	<b>Other comprehensive income for the period, net of tax (10)</b>	<b>998</b>	<b>366</b>	<b>141</b>	<b>1,364</b>	<b>282</b>	<b>1,462</b>
11	<b>Total comprehensive income for the period (9+10)</b>	<b>14,111</b>	<b>32,114</b>	<b>(5,513)</b>	<b>46,225</b>	<b>(9,308)</b>	<b>31,697</b>
12	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	46,580	46,580	46,580	46,580	46,580
13	Other Equity excluding Revaluation Reserves	-	-	-	-	-	683,238
14	Earnings per equity share (not annualised)						
	(1) Basic earnings per share (in ₹)	2.82	6.82	(1.21)	9.63	(2.06)	6.49
	(2) Diluted earnings per share (in ₹)	2.82	6.82	(1.21)	9.63	(2.06)	6.49



*Signature*

Segment-Wise Revenue, Results, Assets and Liabilities *							(₹ in lakhs)
Sr No.	PARTICULARS	STANDALONE					
		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2020 (UNAUDITED)	30.06.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	30.09.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.03.2020 (AUDITED)
1	<b>Segment Revenue</b>						
	i. Liner	13,786	13,496	16,918	27,282	32,995	64,488
	ii. Bulk Carrier	15,883	10,141	14,365	26,024	27,115	57,034
	iii. Tanker	51,244	86,146	61,240	137,390	118,365	295,819
	iv. Technical & Offshore	3,553	4,649	6,147	8,202	12,198	28,706
	v. Others	120	(58)	289	62	611	1,886
	Total	84,586	114,374	98,959	198,960	191,284	447,933
	Unallocated Revenue	1,308	2,035	4,563	3,343	4,642	10,789
	<b>Total</b>	<b>85,894</b>	<b>116,409</b>	<b>103,522</b>	<b>202,303</b>	<b>195,926</b>	<b>458,722</b>
2	<b>Segment Results</b>						
	Profit/(Loss) before Tax and Interest						
	i. Liner	(3,344)	(3,003)	(4,695)	(6,347)	(7,358)	(13,131)
	ii. Bulk Carrier	2,468	(2,198)	2,182	270	172	(1,276)
	iii. Tanker	7,654	40,564	6,065	48,218	10,443	73,667
	iv. Technical & Offshore	(1,952)	105	1,141	(1,847)	1,759	7,412
	v. Others	(219)	(383)	(265)	(602)	(372)	188
	Total	4,607	35,085	4,428	39,692	4,644	66,860
	Add: Unallocated income (Net of expenditure)	1,460	1,621	2,741	3,081	2,346	(3,813)
	Profit before Interest and Tax	6,067	36,706	7,169	42,773	6,990	63,047
	Less: Interest Expenses						
	i. Liner	28	27	16	55	28	87
	ii. Bulk Carrier	390	632	985	1,022	2,123	3,718
	iii. Tanker	(147)	863	1,970	716	3,287	5,894
	iv. Technical & Offshore	(126)	269	655	143	1,064	1,967
	v. Others	-	-	-	-	-	-
	Total Segment Interest Expense	145	1,791	3,626	1,936	6,502	11,666
	Unallocated Interest expense	(5,623)	3,191	9,631	(2,432)	10,958	24,747
	Total Interest Expense	(5,478)	4,982	13,257	(496)	17,460	36,413
	Add: Interest Income	1,793	1,434	2,034	3,227	4,180	8,117
	<b>Profit/(Loss) before Tax</b>	<b>13,338</b>	<b>33,158</b>	<b>(4,054)</b>	<b>46,496</b>	<b>(6,290)</b>	<b>34,751</b>
3	<b>Segment Assets</b>						
	i. Liner	72,591	72,981	68,662	72,591	68,662	68,246
	ii. Bulk Carrier	166,634	169,564	172,373	166,634	172,373	172,212
	iii. Tanker	568,440	592,694	602,805	568,440	602,805	599,972
	iv. Technical & Offshore	111,215	116,433	122,676	111,215	122,676	121,393
	v. Others	977	912	819	977	819	1,227
	Total Segment Assets	919,857	952,584	967,335	919,857	967,335	963,050
	Unallocable Assets	410,685	427,278	422,755	410,685	422,755	410,262
	Total Assets	1,330,542	1,379,862	1,390,090	1,330,542	1,390,090	1,373,312
4	<b>Segment Liabilities</b>						
	i. Liner	82,477	73,161	110,634	82,477	110,634	72,883
	ii. Bulk Carrier	62,366	73,352	97,767	62,366	97,767	73,172
	iii. Tanker	77,471	105,878	196,598	77,471	196,598	113,145
	iv. Technical & Offshore	29,347	36,739	69,940	29,347	69,940	43,110
	v. Others	172	192	1,021	172	1,021	474
	Total Segment Liabilities	251,833	289,322	475,960	251,833	475,960	302,784
	Unallocable Liabilities	306,160	328,608	225,316	306,160	225,316	340,710
	Total Liabilities	557,993	617,930	701,276	557,993	701,276	643,494

\* Refer Note no. 6 for further details



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THE SHIPPING CORPORATION OF INDIA LTD.

NOTES TO FINANCIAL RESULTS :

(1) STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

(₹ in lakhs)

	As at 30 Sep 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,035,320	1,062,764
Right-of-use asset	2,252	2,403
Capital work-in-progress	2,661	284
Other intangible assets	93	146
Financial assets		
i. Investments	7,726	7,726
ii. Loans	25,282	26,030
iii. Other financial assets	7	7
Income Tax assets (net)	21,308	20,112
Other non-current assets	10,811	9,635
<b>Total non-current assets</b>	<b>1,105,460</b>	<b>1,129,107</b>
<b>Current assets</b>		
Inventories	12,166	13,138
Financial assets		
i. Investments	2,076	-
ii. Trade receivables	73,717	60,623
iii. Cash and cash equivalents	8,465	24,478
iv. Bank balances other than (iii) above	87,172	69,299
v. Loans	180	791
vi. Other financial assets	23,217	56,322
Other current assets	18,082	19,547
<b>Total current assets</b>	<b>225,075</b>	<b>244,198</b>
Assets classified as held for sale	7	7
<b>Total assets</b>	<b>1,330,542</b>	<b>1,373,312</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	46,580	46,580
Other Equity	725,969	683,238
<b>Total equity</b>	<b>772,549</b>	<b>729,818</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
i. Borrowings	172,537	167,738
ii. Lease Liabilities	2,321	2,395
iii. Other financial liabilities	27	25
Provisions	6,312	6,497
Deferred tax liabilities (net)	6,557	7,531
<b>Total non-current liabilities</b>	<b>187,754</b>	<b>184,186</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Borrowings	176,008	198,642
ii. Lease Liabilities	214	209
iii. Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	987	629
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	76,584	94,931
iv. Other financial liabilities	80,414	129,396
Other current liabilities	12,938	12,148
Provisions	1,219	1,007
<b>Total current liabilities</b>	<b>348,364</b>	<b>436,962</b>
Liabilities directly associated with assets classified as held for sale	21,875	22,346
<b>Total liabilities</b>	<b>557,993</b>	<b>643,494</b>
<b>Total equity and liabilities</b>	<b>1,330,542</b>	<b>1,373,312</b>



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**THE SHIPPING CORPORATION OF INDIA LTD.**  
**(2) UNAUDITED STANDALONE CASH FLOW STATEMENT FOR HALF YEAR ENDED SEPTEMBER 30,2020**

(₹ in lakhs)

Particulars	Half Year ended 30 September 2020 (Unaudited)	Year ended 31 March 2020 (Audited)
<b>A Cash Flow from operating activities</b>		
Profit/(Loss) before income tax	46,496	34,751
Adjustments for		
<b>Add:</b>		
Depreciation and amortisation expenses	31,776	67,127
Finance costs	6,488	20,937
Bad debts and irrecoverable balances written off	-	2,782
Provision for doubtful debts	1,754	(839)
Write off of Fixed Assets	20	242
Provision of Asset held for sale	-	(5)
Foreign Currency Fluctuations	(7,815)	27,590
<b>Less:</b>		
Dividend received	-	(185)
Dividend Income from JV	(1,766)	-
Interest received	(3,226)	(8,117)
Excess Provisions written back	(31)	(6,212)
Profit on sale of investment	(281)	(226)
Change in current investment due to fair valuation	(2)	-
Surplus on sale of fixed assets	34	(9,337)
Change in non-current investment due to fair valuation	-	(12)
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in Trade Receivables	(15,668)	(2,515)
(Increase)/Decrease in Other Current / Non Current Assets	35,423	(5,050)
(Increase)/Decrease in inventories	972	2,841
(Increase)/Decrease in Trade Payables	(15,867)	(30,121)
(Increase)/Decrease in Other Current / Non Current Liabilities	3,718	11,509
<b>Cash generated from operations</b>	82,025	105,160
Income taxes paid	(3,805)	(10,688)
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>78,220</b>	<b>94,472</b>
<b>B Cash flow from investing activities:</b>		
Purchase of property, plant and equipment/ intangible assets	(8,338)	(10,450)
Sale proceeds of property, plant and equipment	-	11,844
Outflow on sale of property, plant and equipment	(18)	-
Dividend received	-	185
Dividend Income from JV	1,766	-
Purchase of investments	(2,076)	-
Proceeds from sale of investments	281	226
Loan remitted / Recovery to/from employees and Joint venture	809	(488)
Other Deposits with banks	(17,873)	20,722
Advances and other Deposits	(42)	88
Interest received	2,089	9,792
<b>Net cash inflow / (outflow) from investing activities (B)</b>	<b>(23,402)</b>	<b>31,919</b>
<b>C Cash flow from financing activities</b>		
Long term loans repaid	(40,577)	(116,325)
Short term loans borrowed/(repaid)	(18,457)	26,813
Dividend Paid	(2,946)	-
Interest paid	(7,805)	(21,023)
Payment of Lease liability	(113)	(116)
Other financing costs	(549)	(1,318)
<b>Net cash inflow / (outflow) from financing activities (C)</b>	<b>(70,447)</b>	<b>(111,969)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(15,629)</b>	<b>14,422</b>
Add: Changes in Bank balances (unavailable for use) *	-	257
Add: Cash and cash equivalents at the beginning of the financial year	24,478	9,538
Exchange difference on translation of foreign currency cash and cash equivalents	(384)	261
<b>Cash and cash equivalents at the end of the period**</b>	<b>8,465</b>	<b>24,478</b>
<b>** Comprises of</b>		
Balances with banks in current accounts	6,676	21,830
Balances with banks in deposits account with original maturity of less than three months	1,789	2,648
<b>Total</b>	<b>8,465</b>	<b>24,478</b>

**Reconciliation of Cash Flow statement as per Ind AS 7**

\*The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and balances held in unpaid dividends bank  
The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Currency Fluctuations".



3. The above standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 06<sup>th</sup> November 2020.
4. The Statutory Auditors of the Company have jointly carried out the Limited Review of the standalone financial results for the quarter and half year ended 30<sup>th</sup> September 2020, pursuant to the requirements of Regulation 33 of the SEBI (LODR) Regulations, 2015 (as amended from time to time).
5. The standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India.
6. Segment Results:
  - a. Segment definitions: Liner segment includes break-bulk, container transport, passenger vessels & research vessels managed on behalf of other organisations. Bulk Carriers include dry bulk carriers. Tankers segment includes crude and product carriers, gas carriers. Technical & 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 including interest expense to the extent unallocable and interest income are disclosed separately.
  - b. Agent Advances are allocated to segments in the ratio of payable to the agents.
7. The Company holds 49% in Irano Hind Shipping Company, P.J.S. (IHSC) a joint venture company. As per directives received from the Government of India, it has been agreed to dissolve the Company. Therefore, investment in IHSC is classified as held for sale.
8. The Company raised funds through FPO on 15<sup>th</sup> December 2010 and had utilized 100% of funds as contemplated under the objects clause of the issue set out in prospectus. However, due to default of shipyards, the Company rescinded 4 shipbuilding contracts and received Rs.33,065 lakhs as refund from shipyards. The shareholders approved the proposal to redeploy the said sum for acquisition of any such vessels or towards the balance payments remaining due for tonnage acquisition vide their resolution passed through postal ballot on 17<sup>th</sup> February 2017. The Company has utilised Rs. 19,680 lakhs out of the above and the balance of Rs.13,385 lakhs has been earmarked for further utilisation as per the aforesaid resolution.
9. The Trade Receivables, Trade Payables and Deposits are subject to confirmation and reconciliation. While the reconciliation is an on-going process, the company does not expect material differences on such account.
10. The matter of payment of Performance Related Pay (PRP) of Rs. 1,103 lakhs for the FY 2014-15 has been reported by the Comptroller & Auditor General of India (C&AG) in its report No. 13 of 2019 as non-compliance with DPE guidelines w.r.t. computation of profits from core activities and non-observance of "Bell Curve". The Company has pursued the matter with Ministry of Shipping and awaiting further instructions for resolution and final decision in the matter to take appropriate action.



11. The foreign exchange (gain)/loss for the respective periods is recognised as under:

(Rs. In Lakhs)

Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	30.09.2020 (UNAUDITED)	30.06.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	30.09.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.03.2020 (AUDITED)
(A) Finance Cost *	(7,654)	670	7,684	(6,984)	5,961	15,476
(B) Other Expenses/Other Income**	(1,354)***	(159)	1,963	(1,513)	2,386	14,720
<b>Total [(A) +(B)] - Total Forex (Gain)/Loss [Net]</b>	<b>(9,008)</b>	<b>511</b>	<b>9,647</b>	<b>(8,497)</b>	<b>8,347</b>	<b>30,196</b>

\*As per para 6(e) and in the manner of arriving at the adjustment given in para 6A of Ind AS 23, the exchange difference arising from foreign currency borrowings is adjusted to the Finance Cost.

\*\*The remaining foreign exchange (gain)/loss after above adjustment is included in "Other Income / Other Expenses".

\*\*\* Other income for the quarter and half year ended 30<sup>th</sup> September 2020 shown as Rs. 3,366 lakhs and Rs. 6,863 lakhs are inclusive of foreign exchange gain of Rs. 1,354 lakhs and Rs.1,513 lakhs respectively.

12. The shareholders of the Company approved the dividend of Rs. 0.75 per equity share (face value Rs.10/- each) at the 70<sup>th</sup> Annual General Meeting and the same has been subsequently paid.

13. Hitherto, effect of reversal of deferred tax liabilities was given on year on year basis. From the current reporting period, the Company has decided to give effect on quarterly basis. Accordingly, the Company has reversed deferred tax liabilities to the extent of Rs. 974 lakhs for the quarter and half-year ended 30<sup>th</sup> September 2020 in accordance with Ind AS 12 – Income taxes.

14. During the quarter ended 30<sup>th</sup> September 2020, the Company has refinanced its External Commercial Borrowings (ECB) and capitalised the exchange rate difference on the Loan balances, since the company does not consider that there is substantial modification of the terms of the loan.

15. Department of Investment and Public Asset Management (DIPAM), Government of India vide its three separate letters no.F.No.7/4/2018-DIPAM-II-A dated 8<sup>th</sup> January 2020 had appointed the Transaction Advisor, Legal Advisor and Asset Valuer for Strategic Disinvestment of the Company with Management Control. Further the Ministry of Shipping (MOS) has issued letter dated 28<sup>th</sup> September 2020 directing the Company to appoint a consultant for the work related to demerger/hiving off its non-core assets which is being processed for approvals.

16. The severity of the COVID-19 pandemic has dealt a significant blow to already-stressed markets. Increasing travel restrictions imposed by governments around the world have created significant hurdles to crew changes and repatriation of seafarers, which has raised concerns for the safety of seafarers. It has also hit supply chains and impacting business, due to labour shortages and material constraints. The new normal demands a better balance between risk mitigation and business continuity on one hand and cost optimization on the other. Tanker rates have almost flattened after the initial spike seen in the early 2020, while other shipping segments are operating at lower levels. The company has assessed the current scenario basis internal and external information and believes that there is no impact in its ability to continue operations.



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17. 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.



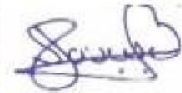
Mrs. H.K. Joshi

Chairperson & Managing Director

DIN - 07085755

Place: Mumbai

Date: 6<sup>th</sup> November 2020



**V.SANKAR AIYAR & Co.**  
Chartered Accountants  
2-C, Court Chambers,  
35 New Marine Lines,  
Mumbai - 400 020

**CHOKSHI & CHOKSHI LLP**  
Chartered Accountants  
15/17, Raghavji 'B' Bldg., Ground Floor,  
Raghavji Road, Gowalia Tank,  
Off Kemps Corner, Mumbai-400036  
LLP Registration No.–AAC 8909

**Independent Auditor's Review Report on the Unaudited Consolidated Financial Results of The Shipping Corporation of India Ltd. for the Quarter and Half Year ended September 30, 2020, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To The Board of Directors  
The Shipping Corporation of India Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **The Shipping Corporation of India Limited** (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its joint ventures for the quarter and half year ended September 30, 2020 (the "Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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 Statement is free from material misstatement. A review is limited primarily to inquiries of the 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.

We also performed procedures in accordance with the SEBI Circular No. CIR/CFD/CMD1/44/2019 dated 29.03.2019 under Regulation 33(8) of the Regulations, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
  - (A) The Shipping Corporation of India Limited ("the Holding Company")
  - (B) **Subsidiary Company:**  
Inland and Coastal Shipping Limited
  - (C) **Joint Venture Companies:**
    - i. India LNG Transport Co. No. 1 Ltd. (ILT 1)
    - ii. India LNG Transport Co. No. 2 Ltd. (ILT 2)
    - iii. India LNG Transport Co. No. 3 Ltd. (ILT 3)
    - iv. India LNG Transport Co. No. 4 Pvt. Ltd. (ILT 4)



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5. Based on our review conducted and procedure performed as stated in paragraph 3 above, and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards specified under Section 133 of the Act, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to the following matters to the Statement:
- Note 10 of the Statement which states that trade receivables, trade payables and deposits are subject to independent confirmations, subsequent reconciliation and consequential adjustments, if any, as on September 30, 2020.
  - Note 11 to the Statement which states that the C&AG in its report no.13 of 2019 has reported the payment of Performance Related Pay (PRP) of Rs.1,103 lakhs in violation of DPE guidelines for the FY 2014-15 with respect to two issues i.e. identification of Core and Non-Core income and observing 'Bell Curve' approach in PRP calculation. The Company has taken up the matter with the Ministry of Shipping for resolving the same.
  - Note 15 of the Statement regarding accounting treatment of foreign currency loans amounting to USD 41.45mn refinanced by the Company during the quarter and half year ended September 30, 2020. The Company is of the view that the terms of refinanced loan does not amount to substantial modification of terms of the existing loan and accounted the same as a continuation of existing loan.
  - Note 16 of the Statement which states that the Company has been selected for Strategic Disinvestment with Management Control by the Government of India. The disinvestment process and the procedural aspects in relation to the same are in progress.

Our conclusion on the Statement is not modified in respect of these matters.

7. We did not review the financial results of 1 (one) subsidiary included in the unaudited consolidated financial results, whose interim financial results reflect total revenues of Rs.0.08 lakhs and Rs.0.16 lakhs for quarter and half year ended September 30, 2020 respectively, total net profit after tax of Rs.0.04 lakhs and Rs.0.07 lakhs for quarter and half year ended September 30, 2020 respectively, total comprehensive income of Rs.0.04 lakhs and Rs.0.07 lakhs for quarter and half year ended September 30, 2020 respectively, total cash outflow of Rs.0.02 lakhs for half year ended September 30, 2020 and total asset of Rs.5.60 lakhs as at September 30, 2020 as considered in the unaudited consolidated financial results.

The unaudited consolidated financial results also include the Group's share of net profit after tax of Rs.1,076 lakhs and Rs.3,015 lakhs for quarter and half year ended September 30, 2020 respectively and total comprehensive income of Rs.1,057 lakhs and Rs.1,259 lakhs for quarter and half year ended September 30, 2020 respectively as considered in the unaudited consolidated financial results, in respect of 4 (four) joint ventures, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors, whose reports have been furnished to us by the Holding Company's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and joint ventures, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.



**V.SANKAR AIYAR & Co.**

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2-C, Court Chambers,  
35 New Marine Lines,  
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In respect of joint ventures which are located outside India whose financial results have been prepared in accordance with accounting principles generally accepted in the respective countries of incorporation and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted these financial results of such joint ventures located outside India from accounting principles generally accepted in the respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by Holding Company's management. Our report in so far as it relates to the balances and affairs of such joint ventures located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion on the Statement is not modified in respect of the above matter.

8. The Statement includes comparative figures for the previous quarter ended June 30, 2020, corresponding quarter and half year ended September 30, 2019, which were reviewed by the joint auditors of the company, one of whom were predecessor audit firm and they had expressed an unmodified conclusion vide their reports dated August 7, 2020 and November 6, 2019 respectively.

The Statement also includes figures for the year ended March 31, 2020 which were audited by the joint auditors of the company, one of whom were predecessor audit firm and they had expressed an unmodified opinion on Consolidated financial statements vide their report dated May 29, 2020.

For V.Sankar Aiyar & Co.,  
Chartered Accountants  
FRN – 109208W



G Sankar  
Partner  
M. No. 046050  
UDIN: 20046050AAAAHN6876



For CHOKSHI & CHOKSHI LLP  
Chartered Accountants  
FRN - 101872W /W100045



Dhananjay Jaiswal  
Partner  
M. No. 187686  
UDIN: 20187686AAAAAQ1045



Place: Mumbai  
Date: November 06, 2020

**THE SHIPPING CORPORATION OF INDIA LTD.**  
**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2020**

(₹ in lakhs)

Sr No	Particulars	CONSOLIDATED					
		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2020 (UNAUDITED)	30.06.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	30.09.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.03.2020 (AUDITED)
1	Revenue from operations	84,321	114,346	97,444	198,667	189,339	442,544
2	Other income	3,366	3,497	8,112	6,863	10,767	24,295
3	<b>Total Income (1+2)</b>	<b>87,687</b>	<b>117,843</b>	<b>105,556</b>	<b>205,530</b>	<b>200,106</b>	<b>466,839</b>
4	<b>Expenses</b>						
	Cost of services rendered	51,646	49,775	64,057	101,421	124,587	255,825
	Employee benefits expense	11,213	11,280	11,251	22,493	22,677	47,654
	Finance costs	(5,478)	4,982	13,257	(496)	17,460	36,413
	Depreciation and amortisation expense	15,897	15,879	16,789	31,776	33,735	67,127
	Other expenses	1,071	2,769	4,256	3,840	7,937	25,070
	<b>Total expenses (4)</b>	<b>74,349</b>	<b>84,685</b>	<b>109,610</b>	<b>159,034</b>	<b>206,396</b>	<b>432,089</b>
5	<b>Profit before exceptional items (3-4)</b>	<b>13,338</b>	<b>33,158</b>	<b>(4,054)</b>	<b>46,496</b>	<b>(6,290)</b>	<b>34,750</b>
6	Share of net profit of associates and joint ventures accounted for using equity method	1,076	1,939	1,563	3,015	2,609	3,414
7	<b>Profit before exceptional items and tax (5+6)</b>	<b>14,414</b>	<b>35,097</b>	<b>(2,491)</b>	<b>49,511</b>	<b>(3,681)</b>	<b>38,164</b>
8	Exceptional items	-	-	-	-	-	-
9	<b>Profit/(Loss) before tax (7-8)</b>	<b>14,414</b>	<b>35,097</b>	<b>(2,491)</b>	<b>49,511</b>	<b>(3,681)</b>	<b>38,164</b>
10	<b>Tax expense</b>						
	Current tax	1,199	1,410	1,600	2,609	3,300	4,850
	Tax pertaining to earlier years	-	-	-	-	-	154
	Deferred tax	(974)	-	-	(974)	-	(1,622)
	MAT Credit Entitlement	-	-	-	-	-	1,134
	<b>Total tax expense (10)</b>	<b>225</b>	<b>1,410</b>	<b>1,600</b>	<b>1,635</b>	<b>3,300</b>	<b>4,516</b>
11	<b>Profit/(Loss) for the period (9-10)</b>	<b>14,189</b>	<b>33,687</b>	<b>(4,091)</b>	<b>47,876</b>	<b>(6,981)</b>	<b>33,648</b>
12	<b>Other comprehensive income</b>						
	<b>Items that will not be reclassified to profit or loss:</b>						
	Remeasurements gain/(loss) of defined benefit plans	998	366	141	1,364	282	1,462
	Share of OCI of associates and joint ventures, net of tax	(19)	(1,737)	(2,162)	(1,756)	(2,545)	(5,068)
	<b>Other comprehensive income for the period, net of tax (12)</b>	<b>979</b>	<b>(1,371)</b>	<b>(2,021)</b>	<b>(392)</b>	<b>(2,263)</b>	<b>(3,606)</b>
13	<b>Total comprehensive income for the period (11+12)</b>	<b>15,168</b>	<b>32,316</b>	<b>(6,112)</b>	<b>47,484</b>	<b>(9,244)</b>	<b>30,042</b>
14	Paid Up Equity Share Capital (Face value Rs.10 each)	46,580	46,580	46,580	46,580	46,580	46,580
15	Other Equity excluding Revaluation Reserves	-	-	-	-	-	701,786
16	Earnings per equity share (not annualised)						
	(1) Basic earnings per share (in ₹)	3.05	7.23	(0.88)	10.28	(1.50)	7.22
	(2) Diluted earnings per share (in ₹)	3.05	7.23	(0.88)	10.28	(1.50)	7.22



*[Handwritten Signature]*

Segment-Wise Revenue, Results, Assets and Liabilities *							(₹ in lakhs)
Sr No.	PARTICULARS	CONSOLIDATED					
		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2020 (UNAUDITED)	30.06.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	30.09.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.03.2020 (AUDITED)
<b>1</b>	<b>Segment Revenue</b>						
	i. Liner	13,786	13,496	16,918	27,282	32,995	64,488
	ii. Bulk Carrier	15,883	10,141	14,365	26,024	27,115	57,034
	iii. Tanker	51,244	86,146	61,240	137,390	118,365	295,819
	iv. Technical & Offshore	3,553	4,649	6,147	8,202	12,198	28,706
	v. Others	120	(58)	289	62	611	1,886
	Total	84,586	114,374	98,959	198,960	191,284	447,933
	Unallocated Revenue	1,308	2,035	4,563	3,343	4,642	10,789
	<b>Total</b>	<b>85,894</b>	<b>116,409</b>	<b>103,522</b>	<b>202,303</b>	<b>195,926</b>	<b>458,722</b>
<b>2</b>	<b>Segment Results</b>						
	Profit/(Loss) before Tax and Interest						
	i. Liner	(3,344)	(3,003)	(4,695)	(6,347)	(7,358)	(13,131)
	ii. Bulk Carrier	2,468	(2,198)	2,182	270	172	(1,276)
	iii. Tanker	7,654	40,564	6,065	48,218	10,443	73,667
	iv. Technical & Offshore	(1,952)	105	1,141	(1,847)	1,759	7,412
	v. Others	(219)	(383)	(265)	(602)	(372)	188
	Total	4,607	35,085	4,428	39,692	4,644	66,860
	Add: Unallocated income (Net of expenditure)	2,536	3,560	4,304	6,096	4,955	(400)
	<b>Profit before Interest and Tax</b>	<b>7,143</b>	<b>38,645</b>	<b>8,732</b>	<b>45,788</b>	<b>9,599</b>	<b>66,460</b>
	Less: Interest Expenses						
	i. Liner	28	27	16	55	28	87
	ii. Bulk Carrier	390	632	985	1,022	2,123	3,718
	iii. Tanker	(147)	863	1,970	716	3,287	5,894
	iv. Technical & Offshore	(126)	269	655	143	1,064	1,967
	v. Others	-	-	-	-	-	-
	Total Segment Interest Expense	145	1,791	3,626	1,936	6,502	11,666
	Unallocated Interest expense	(5,623)	3,191	9,631	(2,432)	10,958	24,747
	Total Interest Expense	(5,478)	4,982	13,257	(496)	17,460	36,413
	Add: Interest Income	1,793	1,434	2,034	3,227	4,180	8,117
	<b>Profit/(Loss) before Tax</b>	<b>14,414</b>	<b>35,097</b>	<b>(2,491)</b>	<b>49,511</b>	<b>(3,681)</b>	<b>38,164</b>
<b>3</b>	<b>Segment Assets</b>						
	i. Liner	72,591	72,981	68,662	72,591	68,662	68,246
	ii. Bulk Carrier	166,634	169,564	172,373	166,634	172,373	172,212
	iii. Tanker	568,440	592,694	602,805	568,440	602,805	599,972
	iv. Technical & Offshore	111,215	116,433	122,676	111,215	122,676	121,393
	v. Others	977	912	819	977	819	1,227
	Total Segment Assets	919,857	952,584	967,335	919,857	967,335	963,050
	Unallocable Assets	430,492	446,028	443,021	430,492	443,021	428,810
	<b>Total Assets</b>	<b>1,350,349</b>	<b>1,398,612</b>	<b>1,410,356</b>	<b>1,350,349</b>	<b>1,410,356</b>	<b>1,391,860</b>
<b>4</b>	<b>Segment Liabilities</b>						
	i. Liner	82,477	73,161	110,634	82,477	110,634	72,883
	ii. Bulk Carrier	62,366	73,352	97,767	62,366	97,767	73,172
	iii. Tanker	77,471	105,878	196,598	77,471	196,598	113,145
	iv. Technical & Offshore	29,347	36,739	69,940	29,347	69,940	43,110
	v. Others	172	192	1,021	172	1,021	474
	Total Segment Liabilities	251,833	289,322	475,960	251,833	475,960	302,784
	Unallocable Liabilities	306,160	328,608	225,316	306,160	225,316	340,710
	<b>Total Liabilities</b>	<b>557,993</b>	<b>617,930</b>	<b>701,276</b>	<b>557,993</b>	<b>701,276</b>	<b>643,494</b>

\* Refer Note no. 7 for further details



*Signature*

THE SHIPPING CORPORATION OF INDIA LTD.

NOTES TO FINANCIAL RESULTS :

(1) STATEMENT OF UNAUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

(₹ in lakhs)

	As at 30 Sep 2020 (Unaudited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,035,320	1,062,764
Right-of-use asset	2,252	2,403
Capital work-in-progress	2,661	284
Other intangible assets	93	146
Investment accounted for using the equity method	29,726	29,473
<b>Financial assets</b>		
i. Investments	362	362
ii. Loans	22,732	22,474
iii. Other financial assets	7	7
Income Tax assets (net)	21,308	20,112
Other non-current assets	10,811	9,635
<b>Total non-current assets</b>	<b>1,125,272</b>	<b>1,147,660</b>
<b>Current assets</b>		
Inventories	12,166	13,138
<b>Financial assets</b>		
i. Investments	2,076	-
ii. Trade receivables	73,717	60,623
iii. Cash and cash equivalents	8,465	24,478
iv. Bank balances other than (iii) above	87,177	69,304
v. Loans	180	791
vi. Other financial assets	23,207	56,312
Other current assets	18,082	19,547
<b>Total current assets</b>	<b>225,070</b>	<b>244,193</b>
Assets classified as held for sale	7	7
<b>Total assets</b>	<b>1,350,349</b>	<b>1,391,860</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	46,580	46,580
Other Equity	745,776	701,786
<b>Total equity</b>	<b>792,356</b>	<b>748,366</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
i. Borrowings	172,537	167,738
ii. Lease Liabilities	2,321	2,395
iii. Other financial liabilities	27	25
Provisions	6,312	6,497
Deferred tax liabilities (net)	6,557	7,531
<b>Total non-current liabilities</b>	<b>187,754</b>	<b>184,186</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
i. Borrowings	176,008	198,642
ii. Lease Liabilities	214	209
iii. Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	987	629
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	76,584	94,931
iv. Other financial liabilities	80,414	129,396
Other current liabilities	12,938	12,148
Provisions	1,219	1,007
<b>Total current liabilities</b>	<b>348,364</b>	<b>436,962</b>
Liabilities directly associated with assets classified as held for sale	21,875	22,346
<b>Total liabilities</b>	<b>557,993</b>	<b>643,494</b>
<b>Total equity and liabilities</b>	<b>1,350,349</b>	<b>1,391,860</b>



*Signature*

THE SHIPPING CORPORATION OF INDIA LTD.  
(2) UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR HALF YEAR ENDED SEPTEMBER 30,2020

(₹ in lakhs)

Particulars	Half Year ended 30 September 2020 (Unaudited)	Year ended 31 March 2020 (Audited)
<b>A Cash Flow from operating activities</b>		
Profit/(Loss) before income tax	49,511	38,164
Adjustments for		
<b>Add:</b>		
Depreciation and amortisation expenses	31,776	67,127
Finance costs	6,488	20,937
Bad debts and irrecoverable balances written off	-	2,782
Provision for doubtful debts	1,754	(839)
Write off of Fixed Assets	20	242
Provision of Asset held for sale	-	(5)
Foreign Currency Fluctuations	(7,815)	27,590
<b>Less:</b>		
Dividend received	-	(185)
Dividend Income from JV	(1,766)	-
Interest received	(3,226)	(8,116)
Share of Profits of associates and Joint Ventures	(3,015)	(3,414)
Excess Provisions written back	(31)	(6,212)
Profit on sale of investment	(281)	(228)
Change in current investment due to fair valuation	(2)	-
Surplus on sale of fixed assets	34	(9,337)
Change in non-current investment due to fair valuation	-	(12)
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in Trade Receivables	(15,668)	(2,515)
(Increase)/Decrease in Other Current / Non Current Assets	35,423	(5,050)
(Increase)/Decrease in inventories	972	2,841
(Increase)/Decrease in Trade Payables	(15,867)	(30,121)
(Increase)/Decrease in Other Current / Non Current Liabilities	3,718	11,509
<b>Cash generated from operations</b>	82,025	105,160
Income taxes paid	(3,805)	(10,688)
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>78,220</b>	<b>94,472</b>
<b>B Cash flow from investing activities:</b>		
Purchase of property, plant and equipment/ intangible assets	(8,338)	(10,450)
Sale proceeds of property, plant and equipment	-	11,844
Outflow on sale of property, plant and equipment	(18)	-
Dividend received	-	185
Dividend Income from JV	1,766	-
Purchase of investments	(2,076)	-
Proceeds from sale of investments	281	226
Loan remitted / Recovery to/from employees and Joint venture	809	(488)
Other Deposits with banks	(17,873)	20,722
Advances and other Deposits	(42)	88
Interest received	2,089	9,792
<b>Net cash inflow / (outflow) from investing activities (B)</b>	<b>(23,402)</b>	<b>31,919</b>
<b>C Cash flow from financing activities</b>		
Long term loans repaid	(40,577)	(116,325)
Short term loans borrowed/(repaid)	(18,457)	26,813
Dividend Paid	(2,946)	-
Interest paid	(7,805)	(21,023)
Payment of Lease liability	(113)	(116)
Other financing costs	(549)	(1,318)
<b>Net cash inflow / (outflow) from financing activities (C)</b>	<b>(70,447)</b>	<b>(111,969)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(15,629)</b>	<b>14,422</b>
Add: Changes in Bank balances (unavailable for use) *	-	257
Add: Cash and cash equivalents at the beginning of the financial year	24,478	9,538
Exchange difference on translation of foreign currency cash and cash equivalents	(384)	261
<b>Cash and cash equivalents at the end of the period**</b>	<b>8,465</b>	<b>24,478</b>
<b>** Comprises of</b>		
Balances with banks in current accounts	6,676	21,830
Balances with banks in deposits account with original maturity of less than three months	1,789	2,648
<b>Total</b>	<b>8,465</b>	<b>24,478</b>
<b>Reconciliation of Cash Flow statement as per Ind AS 7</b>		
*The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and balances held in unpaid dividends bank		
The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Currency Fluctuations".		





3. The Consolidated financial results relate to The Shipping Corporation of India Ltd ("the Company"), its subsidiary and Joint Ventures Companies (together referred to as the "Group"). The consolidated financial results of the group have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India.

4. The following Subsidiary / Joint Ventures have been considered for the purpose of Consolidation in accordance with Ind AS 110 - Consolidated Financial Statements:

Subsidiary –

Inland & Coastal Shipping Ltd. (ICSL)

Joint Ventures -

India LNG Transport Company (No.1) Ltd. (ILT 1)

India LNG Transport Company (No.2) Ltd. (ILT 2)

India LNG Transport Company (No.3) Ltd. (ILT 3)

India LNG Transport Company (No.4) Pvt. Ltd. (ILT 4)

5. The above consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 06<sup>th</sup> November 2020.

6. The Statutory Auditors of the Company have jointly carried out the Limited Review of the consolidated financial results for the quarter and half year ended 30<sup>th</sup> September 2020 pursuant to the requirements of Regulation 33 of the SEBI (LODR) Regulations, 2015 (as amended from time to time).

7. Segment Results:

a. Segment definitions: Liner segment includes break-bulk, container transport, passenger vessels & research vessels managed on behalf of other organisations. Bulk Carriers include dry bulk carriers. Tankers segment includes crude and product carriers, gas carriers. Technical & Offshore services segment includes group 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 including interest expense to the extent unallocable and interest income are disclosed separately.

b. Agent Advances are allocated to segments in the ratio of payable to the agents.

8. The Company holds 49% in Irano Hind Shipping Company, P.J.S. (IHSC) a joint venture company. As per directives received from the Government of India, it has been agreed to dissolve the Company. Therefore, investment in IHSC is classified as held for sale and not considered for consolidation.



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9. The Company raised funds through FPO on 15<sup>th</sup> December 2010 and had utilized 100% of funds as contemplated under the objects clause of the issue set out in prospectus. However, due to default of shipyards, the Company rescinded 4 shipbuilding contracts and received Rs.33,065 lakhs as refund from shipyards. The shareholders approved the proposal to redeploy the said sum for acquisition of any such vessels or towards the balance payments remaining due for tonnage acquisition vide their resolution passed through postal ballot on 17<sup>th</sup> February 2017. The Company has utilised Rs. 19,680 lakhs out of the above and the balance of Rs.13,385 lakhs has been earmarked for further utilisation as per the aforesaid resolution.
10. The Trade Receivables, Trade Payables and Deposits are subject to confirmation and reconciliation. While the reconciliation is an on-going process, the Group does not expect material differences on such account.
11. The matter of payment of Performance Related Pay (PRP) of Rs. 1,103 lakhs for the FY 2014-15 has been reported by the Comptroller & Auditor General of India (C&AG) in its report No. 13 of 2019 as non-compliance with DPE guidelines w.r.t. computation of profits from core activities and non-observance of "Bell Curve". The Company has pursued the matter with Ministry of Shipping and awaiting further instructions for resolution and final decision in the matter to take appropriate action.
12. The foreign exchange (gain)/loss of the Company for the respective periods is recognised as under:

(Rs. In Lakhs)

Particulars	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	30.09.2020 (UNAUDITED)	30.06.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	30.09.2020 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.03.2020 (AUDITED)
(A) Finance Cost *	(7,654)	670	7684	(6984)	5961	15,476
(B) Other Expenses/Other Income**	(1,354)***	(159)	1963	(1,513)	2386	14,720
<b>Total [(A) +(B)] - Total Forex (Gain)/Loss [Net]</b>	<b>(9,008)</b>	<b>511</b>	<b>9647</b>	<b>(8,497)</b>	<b>8347</b>	<b>30,196</b>

\*As per para 6(e) and in the manner of arriving at the adjustment given in para 6A of Ind AS 23, the exchange difference arising from foreign currency borrowings is adjusted to the Finance Cost.

\*\* The remaining foreign exchange (gain)/loss after above adjustment is included in "Other Income / Other Expenses".

\*\*\* Other income for the quarter and half year ended 30<sup>th</sup> September 2020 is shown as Rs. 3,366 lakhs and Rs. 6,863 lakhs are inclusive of foreign exchange gain of Rs. 1,354 lakhs and Rs. 1,513 lakhs respectively.

13. The shareholders of the Company approved the dividend of Rs. 0.75 per equity share (face value Rs.10/- each) at the 70<sup>th</sup> Annual General Meeting and the same has been subsequently paid.
14. Hitherto, effect of reversal of deferred tax liabilities was given on year on year basis. From the current reporting period, the Company has decided to give effect on quarterly basis. Accordingly, the Company has reversed deferred tax liabilities to the extent of Rs. 974 lakhs for the quarter and half-year ended 30<sup>th</sup> September 2020 in accordance with Ind AS 12 – Income taxes.
15. During the quarter ended 30<sup>th</sup> September 2020, the Company has refinanced its External Commercial Borrowings (ECB) and capitalised the exchange rate difference on the Loan balances, since the company does not consider that there is substantial modification of the terms of the loan.



16. Department of Investment and Public Asset Management (DIPAM), Government of India vide its three separate letters no.F.No.7/4/2018-DIPAM-II-A dated 8<sup>th</sup> January 2020 had appointed the Transaction Advisor, Legal Advisor and Asset Valuer for Strategic Disinvestment of the Company with Management Control. Further the Ministry of Shipping (MOS) has issued letter dated 28<sup>th</sup> September 2020 directing the Company to appoint a consultant for the work related to demerger/hiving off its non-core assets which is being processed for approvals.
17. The severity of the COVID-19 pandemic has dealt a significant blow to already-stressed markets. Increasing travel restrictions imposed by governments around the world have created significant hurdles to crew changes and repatriation of seafarers, which has raised concerns for the safety of seafarers. It has also hit supply chains and impacting business, due to labour shortages and material constraints. The new normal demands a better balance between risk mitigation and business continuity on one hand and cost optimization on the other. Tanker rates have almost flattened after the initial spike seen in the early 2020, while other shipping segments are operating at lower levels. The company has assessed the current scenario basis internal and external information and believes that there is no impact in its ability to continue operations.
18. 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.

Mrs. H.K. Joshi

Chairperson & Managing Director

DIN - 07085755

Place: Mumbai

Date: 6<sup>th</sup> November 2020

