



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



Navratna Company
SO 9001:2015, ISO 14001:2015
& ISO 45001:2018 Certified)

Ref.No: A10-SEC- BD-808

04.08.2021

To,

Corporate Relationship Department, Bombay Stock Exchange Ltd, 1 st Floor, New Trading Ring, Rotunda Building, P.J. towers, Dalal Street, Fort, Mumbai – 400 001 Scrip Code- 523598	The Manager, Listing Department, The National Stock Exchange of India Ltd., 'Exchange Plaza', Bandra-Kurla Complex, Bandra (East), MUMBAI - 400 051. Trading Symbol- SCI
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Dear Sir,

Subject: Disclosure under Regulation 30(2) of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (herein-after referred as 'SEBI (LODR) Regulations, 2015') read with Sub-Para 1.3 of Para A1 of Annexure I of Circular bearing number CIR/CFD/CMD/4/2015 dated 9th September, 2015 issued by SEBI.

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we hereby inform that: In reference to the above captioned subject, The Board of Directors of the Company in its meeting held on 3rd August, 2021, has considered and approved the Scheme of Arrangement for Demerger of 'Non-Core Assets' ("Demerged Undertaking") of The Shipping Corporation of India Limited ("Demerged Company"). The Company is taking necessary actions to obtain all necessary approvals from the Competent Authority/ies to bring this Scheme into effect. Once the necessary approvals are obtained, the Company will furnish the details to the Stock Exchanges.

The above Scheme of Arrangement shall be subject to the approval of Ministry of Corporate Affairs (MCA) of relevant jurisdiction, Securities Exchange Board of India (SEBI), Stock Exchange (s), Shareholders and Creditors of all the Companies. The listing/ admittance to trading on the Stock Exchanges of the equity shares of the Resulting Company is subject to approval/exemption from SEBI in term of Rule 19 (7) of the Securities Contract (Regulations) Rules, 1957 read with the applicable provisions under the Circular bearing No SEBI/HO/CFD/DIL1/CIR/2020/249 dated December 22, 2020 issued by SEBI, as amended from time to time.

The detailed disclosure as required under Regulation 30 of the Listing Regulations, 2015 read with Circular CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed as **Annexure 1** to this Outcome.

Kindly take the same on your records.

Thanking You.

For The Shipping Corporation of India Ltd

Shri. Dipankar Halder
ED (LA) & Company Secretary

on leave
↓
L. C. Sarda
CFO



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1961-2021

सीआईएन/CIN-L63030MH1950GOI008033

ANNEXURE 1

I. The Scheme provides for Demerger of 'Non-Core Assets' ("Demerged Undertaking") of The Shipping Corporation of India Limited ("Demerged Company") and vesting of the same with a Resulting Company

A. The brief details of the Division forming part of Scheme of Demerger as on March 31, 2021 are as follow:

Name of the Companies	Turnover (Rs. in Lakhs)	Net Worth (Rs. in Lakhs)
The Shipping Corporation of India Limited (Demerged Company)	382,881.00	7,90,202.00
Resulting Company	The name and details of Resulting Company shall be finalized once the necessary approvals in this regard are obtained.	

Areas of the Business of the Entities:

Name of the Companies	Area of Business
The Shipping Corporation of India Limited (Demerged Company)	SCI is the largest Indian shipping Company. The SCI has substantial interests in various segments of the shipping trade. SCI's owned fleet includes Bulk carriers, Crude oil tankers, Product tankers, Container vessels, LPG / Ammonia carriers and Offshore Supply Vessels. Sailing through for six decades, SCI today has a significant presence on the global maritime map.
Resulting Company	Once necessary approvals are obtained, these details shall be furnished.

This Scheme of Arrangement provides:

- Draft Scheme provides for specific provisions governing Demerger of Non-Core Assets (Demerged Undertaking) of The Shipping Corporation of India Limited ("Demerged Company") and vesting of the same with a newly incorporated resulting





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company /Inland & Coastal Shipping Ltd [ICSL] (“Resulting Company”) under the provisions of Section 230-232 of the Companies Act, 2013.

B. Brief Details and turnover of the Division to be demerged as on 31st March, 2021

Name of the Division	Turnover (Rs. In Lakhs)	Turnover of Division as percentage of Total Turnover of Listed entity	Brief Details
Non-Core Assets	Nil	Nil	The Government of India has decided for strategic disinvestment of its stakes in SCI. As part of the strategic disinvestment process, SCI has analysed the business and determined the Core Assets and Non-core Assets of the Company. These Non-Core Assets of the company are being hived off through this Scheme of Demerger with the intent to facilitate an effective and efficient disinvestment of SCI.
Remaining Business	3,82,881	100%	The entire core shipping business of the Company.

C. Rationale for the Scheme of Arrangement for Demerger:

1. The Government of India is in the process of strategic disinvestment of its equity stake in SCI together with transfer of management control. To facilitate disinvestment process of the Company in an effective, efficient and rapid manner and also to unlock the value of the business and the assets, it is found appropriate that the Non-core Assets of the Company, the value of which is not getting reflected in the value of business of SCI, should be separated from SCI and should be kept in an independent entity and a separate strategy should be formed for unlocking the value of such Non-core Assets. Considering this, and in line with the guidance of DIPAM and other Competent Authority, the demerger of Non-Core Assets of SCI into Resulting Company pursuant to this Scheme, inter alia, would lead to following benefits:





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- Creation of a separate and distinct entity for the Non-Core Assets would lead to greater operational and administrative efficiency for the Demerged Company and would also allow the Resulting Company to manage the Non-core assets more efficiently;
- enabling the business and the activities to be pursued and carried on with greater focus and attention through two separate parallel companies with separate administrative set up of each of them in place. Defined objects of each of the Companies i.e SCI and Resulting Company will have required focus in terms of Core Business and Non-Core business and this will ensure adoption of strategies necessary for the growth of the respective companies. The structure provides independence to the management in decisions regarding the use of their respective cash flows for dividends, capital expenditure or other reinvestment in their respective businesses in lines with the directions of the Competent Authority; and
- unlocking of value for SCI by transfer of Non-Core Assets, which would enable optimal exploitation, monetization and development of both the Companies i.e SCI and the Resulting Company, attracting focused investors and strategic partners having the necessary ability, experience and interests in this sector and by allowing pursuit of inorganic and organic growth opportunities in such businesses.

D. Brief details of change in shareholding pattern (if any) of both the entities;

Pre and Post Demerger Shareholding Pattern of The Shipping Corporation of India Limited (Demerged Company):

Particulars	Pre-Arrangement (% Holding)	Post-Arrangement (% Holding)
Promoters	63.75	63.75
Non- Promoters	36.25	36.25
Total	100.00	100.00



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Pre and Post Demerger Shareholding Pattern of the Resulting Company:

Particulars	Pre-Arrangement (% Holding)	Post-Arrangement (% Holding)
Promoters	100.0	63.75
Non-Promoters	-	36.25
Total	100.00	100.00

E. In case of cash consideration amount or otherwise share exchange ratio

The consideration for proposed Demerger will be discharged by issue of equity shares by resulting company to the equity shareholders of the demerged Company (M/s The Shipping Corporation of India Limited).

“The Scheme provides share entitlement ratio of “1 (One) Equity Share of Rs. 10 (Rupees Ten) each at par in the Resulting Company for every 1 (One) Equity Share of Rs. 10 (Rupees Ten) each held by them in the Demerged Company”

F. Whether listing would be sought for the Resulting Entity

Yes, the Scheme proposes that subject to the compliance of applicable provisions of the Securities Contract (Regulations) Rules, 1957, the circular issued by SEBI and the Stock Exchanges and also subject to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shares of a Resulting Company would be listed on BSE Limited and National Stock Exchange of India Limited.

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