



Essar Shipping Limited

Essar House
11 K.K.Marg
Mahalaxmi
Mumbai- 400 034

Corporate Identification Number

L61200GJ2010PLC060285

T + 91 22 6660 1100

F + 91 22 2354 4312

www.essar.com

Date: 08.08.2024

To, The Manager Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 Fax: +91 22 2272 2082/3132 BSE Code: 533704	To, The Manager Bandra Kurla Complex "Exchange Plaza" National Stock Exchange of India Limited Listing Department, Bandra (E), Mumbai - 400 051. Fax: +91 22 2659 8237/38 NSE Code: ESSARSHPNG
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Dear Sir/Madam,

Subject: Outcome of Board Meeting and Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform you that the Board of Directors of the Company at its meeting held on Thursday, 08th August, 2024 have inter-alia; considered and approved:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended 30th June, 2024 along with Limited Review Report. The unaudited financial results along with Limited Review Reports are attached herewith and marked as **Annexure I.**
2. Allotment of 6,00,00,000 (Six Crore only) 1% Secured, Redeemable, Unlisted, and Non-Convertible Debentures ("NCDs") of face value of Rs. 100/- (Rupees Hundred Only) each aggregating to Rs. 600,00,00,000/- (Rupees Six Hundred Crores Only) to M/s. Abhinand Ventures Private Limited by conversion of Inter Corporate Deposits.
3. Allotment of 2,50,00,000 (Two Crore Fifty Lakhs only) 8.25% Secured, Redeemable, Unlisted, and Non-Convertible Debentures ("NCDs") of face value of Rs. 100/- (Rupees Hundred Only) each aggregating to Rs. 250,00,00,000/- (Rupees Two Hundred Fifty

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Crores Only) to M/s. Abhinand Ventures Private Limited by conversion of Inter Corporate Deposits.

4. Allotment of 2,50,00,000 (Two Crore Fifty Lakhs only) 1% Unsecured, Redeemable, Unlisted, Unrated and Non-Convertible Debentures ("NCDs") of face value of Rs. 100/- (Rupees Hundred Only) each aggregating to Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only) to M/s. Essar Steel Metal Trading Limited by conversion of Inter Corporate Deposits.

The detailed information of allotment is enclosed herewith as **Annexure-II**.

We shall intimate you in due course the date on which the Company will hold its Annual General Meeting for the financial year ended March 31, 2024.

The meeting of Board of Directors of the Company commenced at 3.00 PM and concluded at 7:00 PM.

Request you to kindly take the same on your records

Yours faithfully,

For Essar Shipping Limited

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Rachana H Trivedi
Company Secretary & Compliance Officer
ACS: 62289

Encl: A/a

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ANNEXURE II
[Details of
Allotment of
Securities]

Type of securities Allotted	Allotment of 6,00,00,000 (Six Crore only) 1% Secured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (“NCDs”) of face value of Rs. 100/- (Rupees Hundred Only) each	Allotment of 2,50,00,000 (Two Crore Fifty Lakhs only) 8.25% Secured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (“NCDs”) of face value of Rs. 100/- (Rupees Hundred Only) each	Allotment of 2,50,00,000 (Two Crore Fifty Lakhs only) 1% Unsecured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (“NCDs”) of face value of Rs. 100/- (Rupees Hundred Only) each
Type of issuance	Private Placement	Private Placement	Private Placement
Total number of securities allotted or the total amount for which the securities are allotted (approximately)	6,00,00,000 (Six Crore) 1% Secured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (“NCDs”) of face value of Rs. 100/- (Rupees Hundred Only) each aggregating to Rs. 600,00,00,000/- (Rupees Six Hundred Crores Only)	2,50,00,000 (Two Crore Fifty Lakhs) 8.25% Secured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (“NCDs”) of face value of Rs. 100/- (Rupees Hundred Only) each aggregating to Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only)	2,50,00,000 (Two Crore Fifty Lakhs) 1% Unsecured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (“NCDs”) of face value of Rs. 100/- (Rupees Hundred Only) each aggregating to Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only)
Size of the issue	Rs. 600 Crores (Rupees Six Hundred crores only)	Rs. 250 Crores (Rupees Two Hundred and Fifty Crores Only)	Rs. 250 Crores (Rupees Two Hundred and Fifty Crores Only)
Whether proposed to be listed? If yes, name of the stock exchange(s)	The NCDs shall not be listed on any stock exchange	The NCDs shall not be listed on any stock exchange	The NCDs shall not be listed on any stock exchange

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Tenure of the instrument - Date of Allotment and Date of Maturity	Date of Allotment 08/08/2024 Maturity: All outstanding NCDs shall get redeemed at the end of 36 months from the date of issue at Rs.130 per NCD.	Date of Allotment 08/08/2024 Maturity: 1. NCDs shall have the option to redeem any time after 6 months from the date of issue at par i.e. Rs.100 per NCDs. 2. All outstanding NCDs shall get redeemed at the end of 36 months from the date of issue at par i.e. Rs.100 per NCD.	Date of Allotment 08/08/2024 Maturity: All outstanding NCDs shall get redeemed at the end of 36 months from the date of issue at Rs.130 per NCD.
Coupon/Interest offered, schedule of payment of coupon/interest and principal	1% per annum payable annually.	8.25% per annum payable annually.	1% per annum payable annually.
Charge/Security, if any, created over the assets	The NCDs shall be secured by: Charge over the Overseas Direct Investments in Energy II Limited & OGD Services Holdings Limited and any other security which may be agreed between both the parties.	The NCDs shall be secured by: a) Pledge on the shares of subsidiary company of Essar Shipping Limited; b) Charge on rig or asset proposed to be owned by above subsidiary company;	Unsecured

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		c) Any other security which may be agreed between both the parties.	
In case of convertibles	Not Applicable	Not Applicable	Not Applicable
Special right/interest/privileges attached to the instrument and changes thereof	NIL	NIL	NIL
Delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal	NIL	NIL	NIL

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<p>Details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and/or the assets along with its comments thereon, if any</p>	<p>NIL</p>	<p>NIL</p>	<p>NIL</p>
<p>Details of redemption of preference shares indicating the manner of redemption (whether out of profits or out of fresh issue) and debentures;</p>	<p>NCDs shall get redeemed at values stated hereunder: <u>At the option of holder</u></p> <ul style="list-style-type: none"> After 6 months from the date of issue but before 9 month - at Rs.100 per NCD. After 12 months from the date of issue but before 18 month - at Rs.109 per NCD. After 24 months from the date of issue but before 30 month - at Rs.118 per NCD. <p><u>At the option of the issuer</u></p> <ul style="list-style-type: none"> After 6 months from the date of issue but before 9 month - at Rs.106 per NCD. 	<p>1. NCDs shall have the option to redeem any time after 6 months from the date of issue at par .i.e. Rs. 100/- per NCDs. 2. All outstanding NCDs shall get redeemed at the end of 36 months from the date of issue at par .i.e. Rs.100 per NCD.</p>	<p>NCDs shall get redeemed at values stated hereunder: <u>At the option of holder</u></p> <ul style="list-style-type: none"> After 6 months from the date of issue but before 9 month - at Rs.100 per NCD. After 12 months from the date of issue but before 18 month - at Rs.109 per NCD. After 24 months from the date of issue but before 30 month - at Rs.118 per NCD. <p><u>At the option of the issuer</u></p> <ul style="list-style-type: none"> After 6 months from the date of issue but before 9 month - at Rs.106 per NCD.

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	<ul style="list-style-type: none">• After 12 months from the date of issue but before 18 month - at Rs.115 per NCD.• After 24 months from the date of issue but before 30 month - at Rs.124 per NCD. <p>All outstanding NCDs shall get redeemed at the end of 36 months from the date of issue at Rs.130 per NCD.</p>		<ul style="list-style-type: none">• After 12 months from the date of issue but before 18 month - at Rs.115 per NCD.• After 24 months from the date of issue but before 30 month - at Rs.124 per NCD. <p>All outstanding NCDs shall get redeemed at the end of 36 months from the date of issue at Rs.130 per NCD.</p>
Name of the Proposed Subscriber/investor	Abhinand Ventures Private Limited	Abhinand Ventures Private Limited	Essar Steel Metal Trading Limited
Number of Subscriber	1 (One)	1 (One)	1 (One)

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Independent Auditor's Review Report on Unaudited Standalone Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**TO THE BOARD OF DIRECTORS OF
ESSAR SHIPPING LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Essar Shipping Limited** ("the Company") for the quarter ended June 30, 2024, ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors at its meeting held on August 8, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. 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 of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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4. Based on our review conducted as 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 applicable Indian Accounting Standards, prescribed under section 133 of the

Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which, it is to be disclosed, or that it contains any material misstatement.

5. Material Uncertainty Related to Going Concern

We draw attention to Note No. 4 and Note No. 5 of the Standalone Financial Results wherein it is stated that

- The Company's current liabilities [including outstanding portion of Foreign Currency Convertible Bonds (FCCB) which have fallen due for redemption] exceed its current assets as on June 30, 2024.
- Some of the Lenders of the Company's Subsidiary (which has gone into liquidation) where the Company is a Guarantor, have filed applications before various forums for recovery of overdue amounts and / or enforcement of guarantees.
- The Company has disposed off most of its assets to pay off its outstanding dues to lenders / vendors.
- The net worth of the Company is eroded and it is continuously incurring operational losses since last several years.

The above factors give rise to a material uncertainty related to the Company's ability to continue as a Going Concern.

As informed to us, the management is exploring various business opportunities for a future business build up including in-chartering in the shipping sector. The Company has earned operating income by way of hire charges and management fees and is taking steps to rectify the mismatch in working capital.

We have relied on the management representations, as above, and based on the same, the Standalone Financial Results have been prepared by the management on going concern basis.

Our opinion on Standalone Financial Results is not modified for the above matter.

6. Emphasis of Matter

- i. We draw attention to our observations in paragraph 5 above whereby, in spite of several factors mentioned therein, the results are prepared on "Going Concern" basis.
- ii. Attention is drawn to recognition of gain on settlement with one of the banks in an earlier year.



In the said year, the Company had settled the loan with the bank and paid the dues through monetisation of assets and recognised gain on settlement. Pending outstanding bank guarantee and pending group level settlement, 'No Due Certificate' was not received from the said bank till March 31, 2023. Post settlement, the Bank assigned the said loan to an Asset Reconstruction Company (Assignee Company).

During the previous year, the pending bank guarantee has been withdrawn. The Company does not expect any additional liability to devolve in this regard and is in the process of obtaining NOC from the Assignee Company.

- iii. We draw attention to Note No.7 and 8 of the Standalone Financial Results relating to the FCCB amounting to Rs.1,537.62 crore which have become due for repayment on August 24, 2023. Till June 30, 2024, the Company has partially redeemed the FCCB to the extent of Rs. 1,337.20 crore by availing short term loans from companies. The balance amount of Rs. 200.42 crore outstanding as at June 30, 2024 has subsequently been fully paid on July 12, 2024. The Company is in the process of complying with the procedures of the Reserve Bank of India.
- iv. Attention is drawn to netting off of Rs. 331.26 Crore payable to a wholly owned overseas subsidiary with the amount receivable from the said subsidiary. This is subject to pending application and approval from the regulatory authorities.
- v. During the current quarter, the Company has paid Rs. 9.90 crore to two banks towards OTS between the said banks and a step-down subsidiary of the Company. Pending conclusion of OTS and receipt of NOC from the banks, the amount paid is shown as recoverable.
In respect of one bank, the OTS has been sanctioned and compliance with terms of OTS is pending. Since the amount is doubtful of recovery, the same is provided for.
In respect of the other bank, the OTS is yet to be concluded. Since the amount would be refunded to the Company in case the OTS does not go through, the same is included as advance recoverable.

Our Opinion on the Standalone Financial Results is not modified for the above matters.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961 W/W – 100036

Diwakar Sapre

Partner

Membership No. 040740

UDIN: 24040740BKEYIN5993

Place: Mumbai

Date: August 8, 2024



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Statement of Unaudited Standalone Financial Results for the Quarter ended 30 June, 2024

(₹ in crore except EPS)

Sl.No.	Particulars	Quarter ended			Year ended
		30.06.2024 (Unaudited)	31.03.2024 (Refer Note 9)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
I	Income from operations	4.59	4.57	2.06	15.76
II	Other income	0.03	2.69	31.20	34.36
III	Total income from operations (I+II)	4.62	7.26	33.26	50.12
IV	Expenses				
	a) Operating expenses	-	0.15	-	0.27
	b) Employee benefit expenses	2.11	2.53	1.39	7.61
	c) Finance costs	25.30	37.67	2.57	46.95
	d) Depreciation and amortisation expenses	0.19	0.19	0.18	0.74
	e) Other expenses	7.76	4.32	2.15	14.45
	Total expenses	35.37	44.85	6.30	70.02
V	Profit / (Loss) for the period / year before exceptional items and tax (III-IV)	(30.75)	(37.59)	26.96	(19.90)
VI	Exceptional items (refer Note no.3)				
	Income	220.33	-	13.44	15.72
	Expense	(45.00)	(66.99)	-	(66.99)
VII	Profit / (Loss) for the period / year before tax and after exceptional items (V+VI)	144.58	(104.59)	40.40	(71.18)
VIII	Tax expenses	-	-	-	0.83
IX	Profit / (Loss) after tax (VII+VIII)	144.58	(104.59)	40.40	(70.35)
X	Other comprehensive income net of tax	(0.10)	0.06	0.08	(0.41)
XI	Total comprehensive profit/ (loss) net of tax (IX+X)	144.48	(104.53)	40.49	(70.76)
XII	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98
XIII	Reserves excluding revaluation reserves	-	-	-	(1,881.22)
XIV	Earnings per share before exceptional items (EPS)				
	(a) Basic (in ₹)	*(1.49)	*(1.82)	*1.3	(0.92)
	(b) Diluted (in ₹)	*(1.49)	*(1.82)	*1.3	(0.92)
XV	Earnings per share after exceptional items (EPS)				
	(a) Basic (in ₹)	*6.99	*(5.05)	*1.95	(3.4)
	(b) Diluted (in ₹)	*6.99	*(5.05)	*1.95	(3.4)

* Not annualised



1 The above Standalone Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 8 August, 2024.

2 The Company has one reportable business segment of Fleet Operating, Chartering and Management service.

3 **Exceptional Items comprise of the following:**

Particulars	Quarter ended			Year ended
	30.06.2024 (Unaudited)	31.03.2024 (Refer Note 9)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
Income/ (Expense)				
Interest on Claims Receivable	44.97	-	-	-
Write off of Claims Receivable	(45.00)	(0.03)	66.99	66.99
Reversal of provision for impairment as per Ind AS 36 in the fair value of an associate based on management assessment.		175.36	-	-
Reversal of provision for impairment of loans and advances receivable from subsidiary		-	6.84	9.12
Gain from One Time Settlement with banks/ FIs		-	6.60	6.60

4 As on 30 June 2024, the net worth of the Company is eroded as it is incurring operating losses since last several years. The Company has accumulated losses of ₹ 6,747.29 crore as against share capital and reserves of ₹ 5217.81 crore and the Company's current liabilities exceeds its current assets. The Company has given Tug on Bare-boat charter basis and earned operating income from the same. Further, the Company is also providing Management service to its Subsidiary and other group company during the year. Also the Company is taking steps to rectify the mismatch between current assets and liabilities during the year. In view of these, the Financials have been prepared on a Going Concern basis.

5 Lenders to a Subsidiary Company (where the Company is a Guarantor) have filed suit against the Company before the NCLT/ DRT for recovery of loans granted to the subsidiary company (Company is a Guarantor).

6 Based on shareholders approval vide Annual General Meeting dated 29 September 2023 and second approval accorded by way of postal ballot through remote e-voting dated 23 July 2024, the Company has entered into Share Purchase Agreement to sell equity shares of one of its foreign subsidiary company after the closing of the current quarter. Hence the Company have reversed impairment provision of ₹ 175.36 crore during the quarter, which was impaired earlier in FY 2019-20. The reversal of ₹ 175.36 crore is shown under Exceptional Income. The gain on sale of shares will be accounted on completion of the sale transaction.

7 In line with the shareholders approval, during the current quarter, the company redeemed FCCBs to the tune of ₹ 333.56 crore by availing loans from companies.

8 **Susequent event:** The company has redeemed balance amount of ₹ 200.42 crore by availing loans from companies. With this, the company has completed the full redemption of FCCBs.

9 The figures for the quarter ended 31 March 2024 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.



For and on behalf of the Board

Rajesh D. Desai

Rajesh Desai
Director

Place : Mumbai
Date : 8 August, 2024



Independent Auditor's Review Report on Unaudited Consolidated Financial Results of Essar Shipping Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

**TO THE BOARD OF DIRECTORS OF
ESSAR SHIPPING LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Essar Shipping Limited** (hereinafter referred to as the "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2024, ("The Statement"), attached herewith, 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 ("Listing Regulations"). This Statement includes the results of the subsidiaries as given in the Annexure to this report.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors at its meeting held on August 8, 2024, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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 of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulations as amended, to the extent applicable.

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4. Based on our review conducted and procedures performed stated in paragraph 3 above, on the consideration of review reports of the auditors of the subsidiary companies and management certified
5. unaudited financial results of subsidiaries 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 aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33 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. **Material Uncertainty Related to Going Concern**

We draw attention to Note Nos. 5 and 6 of the Unaudited Consolidated Financial Results wherein it is stated that:

- The Group's current liabilities [including outstanding portion of Foreign Currency Convertible Bonds (FCCB) which have fallen due for redemption] exceed its current assets as on June 30, 2024.
- Some of the lenders of one of the subsidiaries (which has gone into liquidation) where the Holding Company is a Guarantor have filed applications before various forums for recovery of overdue amounts and / or enforcement of guarantees.
- The Holding Company has disposed off most of its assets to pay off its outstanding dues to lenders / vendors.
- The net worth of the Group has eroded, and the Group has been incurring continuous operational losses for the last several years.
- In the case of one subsidiary, the said Company does not have any income from operations of "Fleet operating and chartering earnings" since FY 2018-19.
- In case of another subsidiary, the current liabilities of the said Company exceed its current assets and the said Company has a negative operating cash flow.

The above factors give rise to material uncertainty related to the Group's ability to continue as a Going Concern.

As informed to us, the management is exploring business opportunities for a future business buildup including in-chartering in the shipping sector. The Group has earned operating income by way of hire charges and management fees and is taking steps to rectify the mismatch in working capital. In the case of one of the subsidiary Company, the said Company has obtained one-time settlement agreement sanctioned with two banks. Further the said Company has entered into an agreement with one of its



related parties for sale of the Wild Cat Rig owned by the Company to pay off the debts. The Company is also in discussion with its group companies to obtain financial support.

We have relied on the management representations as above, and based on the same, these Consolidated Financial Results of the Group have been prepared by the management on a going concern basis.

Our opinion on Consolidated Financial Results is not modified for the above matter.

7. Emphasis of Matter

- a. We draw attention to our observations in paragraph 6 above whereby, in spite of several factors mentioned therein, the results are prepared on "Going Concern" basis.
- b. Attention is drawn to recognition of gain on settlement with one of the banks in an earlier year. In the said year, the holding Company had settled the loan with the said bank and paid the dues through monetisation of assets and recognised gain on settlement. Pending outstanding bank guarantee and pending group level settlement, 'No Due Certificate' was not received from the said bank till March 31, 2023. Post settlement, the Bank assigned the said loan to an Asset Reconstruction Company (Assignee Company).

During the preceding year, the pending bank guarantee has been withdrawn. The Company does not expect any additional liability to devolve in this regard and is in the process of obtaining NOC (which has not been received till 30th June 2024) from the Assignee Company.

- c. We draw attention to Note No.8 and 10(c) of the Consolidated Financial Results relating to the Foreign Currency Convertible Bonds (FCCB) amounting to Rs.1,537.62 which have become due for repayment on August 24, 2023. Till June 30, 2024, the holding Company has partially redeemed the FCCB to the extent of Rs. 1,337.20 crore by availing short term loans from companies. The balance amount of Rs. 200.42 crore outstanding as at June 30, 2024 has subsequently been fully paid on July 12, 2024. The Company is in the process of complying with the procedures of the Reserve Bank of India.
- d. Attention is drawn to netting off of Rs. 331.26 Crore payable to a wholly owned overseas subsidiary with the amount receivable from the said subsidiary. This is subject to pending application and approval from the regulatory authorities.
- e. During the current quarter, the holding Company has paid Rs. 9.90 crore to two banks towards OTS between the said banks and a step-down subsidiary of the Company (which is under liquidation). Pending conclusion of OTS and receipt of NOC from the banks, the amount paid is shown as recoverable.
In respect of one bank, the OTS has since been sanctioned and compliance with terms of OTS is pending. Since the amount is doubtful of recovery, the same is provided for.
In respect of the other bank, the OTS is yet to be concluded. We are informed that the amount paid would be refunded to the Company in case the OTS does not go through. Accordingly, the amount paid to the said bank is included as advance recoverable.
- f. We draw attention to Note No. 10(b) of the Consolidated Financial Results relating to one subsidiary Company has been sanctioned One Time Settlement (OTS) with two lender banks.



Pending compliance with the terms of the OTS and non-receipt of No Dues Certificate, no effect to the OTS has been given in the current quarter. Further, since as per the terms of the OTS, entire interest outstanding as on the date of sanction of OTS is no longer payable, no provision for interest payable for the quarter in respect of outstanding dues of the two lender banks has been made in the books of account.

- g. Bank balances and borrowings from various lenders are subject to confirmation.

Our Opinion on the Consolidated Financial Results is not modified for the above matters.

8. Other Matters

- a. For the purpose of consolidation, we have reviewed the financial results of one subsidiary, whose financial results reflect net assets of (Rs.1159.11 crore) as at June 30, 2024, total revenue is Nil and total comprehensive loss (comprising of net loss after tax and other comprehensive income) of (Rs.4.82 crore) for the quarter ended on June 30, 2024, as considered in the Unaudited Consolidated Financial Results. These financial results and other financial information have been reviewed by us on the basis of information furnished to us by the management of the said Company.
- b. The Financial Result of one subsidiary (which has been admitted to NCLT and undergoing CIRP process) have not been consolidated.
- c. In case of one step down subsidiary, one associate and two jointly controlled entities, share of profit / (loss) (amount not ascertained) for the quarter ended June 30, 2024, has not been included in the Unaudited Consolidated Financial Results. According to the information and explanations given to us by the Board of Directors, these Unaudited Interim Financial Results of the said step down subsidiary, associate and jointly controlled entities are individually or in the aggregate not material to the Group.

Our conclusion on the Unaudited Consolidated Financial Results is not modified for the above matters.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W / W-100036

Diwakar Sapre

Partner

Membership No. 040740

UDIN: 24040740BKEYIO5250

Place: Mumbai

Date: August 8, 2024



Annexure to the Limited Review Report on Consolidated Financial Results of Essar Shipping Limited

List of Subsidiaries/step down subsidiaries

1. OGD Services Holdings Limited (formerly known as Essar Oilfields Services Limited) (Mauritius)
2. OGD Services Limited (formerly known as Essar Oilfield Services India Limited) (**Not Consolidated**)
3. Energy II Limited
4. Essar Shipping DMCC
5. Gargnano, S.A. de C.V., Mexico (**Not Consolidated**)

List of Jointly Controlled Entity

1. Seros Drilling Private Limited [**share of profit/(loss) not consolidated**]
2. Drillxplore Services Private Limited [**share of profit/(loss) not consolidated**]

List of Associates:

1. Starbit Oilfields Services India Limited [**share of profit/(loss) not consolidated**]



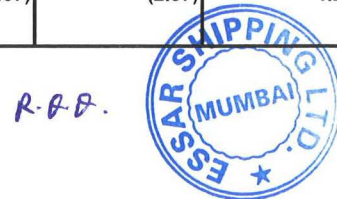
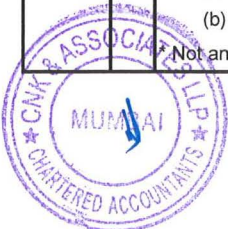
ESSAR SHIPPING LIMITED

Regd. Office: EBTSL Premises, ER-2 Building (Admin Building) Salaya, 44 KM, P.O. Box No.7, Taluka Khambalia, Devbhumi Dwarka, Gujarat - 361305
 esl.secretarial@essarshipping.co.in, website: www.essar.com, CIN:L61200GJ2010PLC060285

Head Office: Essar House, 11, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034

Statement of Unaudited Consolidated Financial Results for the quarter ended 30 June, 2024

		(₹ in crore except EPS)			
Sl.No.	Particulars	Quarter ended			Year ended
		30.06.2024 (Unaudited)	31.03.2024 (Refer Note 11)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
I	a) Income from operations	2.54	2.54	10.89	20.24
	b) Other income	9.03	10.89	37.59	62.38
	Total income from operations	11.57	13.43	48.48	82.61
II	Expenses				
	a) Operating expenses	0.66	15.98	3.41	43.41
	b) Employee benefits expenses	2.40	8.58	2.57	24.15
	c) Finance costs	28.99	44.60	11.49	81.39
	d) Depreciation	0.19	(0.09)	10.61	32.08
	e) Other expenses	8.33	9.68	2.38	19.67
	Total expenses	40.56	78.75	30.47	200.70
III	Profit / (Loss) for the period / year before exceptional items, tax and share of profit of associate	(28.99)	(65.32)	18.01	(118.08)
IV	Exceptional items (refer note 3)				
	Income	44.97	55.94	13.44	80.35
	Expense	(50.51)	(43.81)	(5.33)	(67.41)
V	Profit / (Loss) for the period / year after exceptional items and before tax	(34.53)	(53.19)	26.13	(105.14)
VI	Tax expenses	-	-	-	0.83
VII	Profit / (Loss) for the period / year after tax before share of profit of associate	(34.53)	(53.19)	26.13	(104.31)
VIII	Share of profit / (loss) of associate	(0.00)	(0.00)	-	(0.00)
IX	Profit / (Loss) for the period / year after share of profit / (loss) of associate	(34.53)	(53.19)	26.13	(104.32)
	Attributable to:				
	-Shareholders of the Parent	(34.94)	(64.40)	26.06	(118.10)
	-Non-controlling interests	0.40	11.21	0.07	13.78
X	Other comprehensive income net of tax	(0.10)	0.05	0.08	(0.41)
XI	Total comprehensive profit / (loss) net of tax	(34.63)	(53.14)	26.21	(104.73)
	Attributable to:				
	-Shareholders of the Parent	(35.04)	(64.35)	26.14	(118.51)
	-Non-controlling interests	0.40	11.21	0.07	13.78
XII	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98
XIII	Total Reserves				(3,014.29)
XIV	Earnings per share before exceptional items (EPS)				
	(a) Basic (in ₹)	*(1.4)	*(3.16)	*0.87	(5.67)
	(b) Diluted (in ₹)	*(1.4)	*(3.16)	*0.87	(5.67)
XV	Earnings per share after exceptional items (EPS)				
	(a) Basic (in ₹)	*(1.67)	*(2.57)	*1.26	(5.04)
	(b) Diluted (in ₹)	*(1.67)	*(2.57)	*1.26	(5.04)
	Not annualised				



R.P.P.

1 The above Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 8th August, 2024

2 The Consolidated Financial Results include results of the Holding Company and three Overseas Subsidiaries. One Associate, two Joint venture company and one Step down Subsidiary Company, which is undergoing liquidation are not considered for consolidation.

3 **Exceptional items comprise of the following:**

Particulars	Quarter ended			Year ended
	30.06.2024 (Unaudited)	31.03.2024 (Refer Note 11)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
Income/ (Expense)				
Interest on Claims Receivable	44.97	-	-	-
Write off of Claims Receivable	(45.00)	(0.03)	66.99	66.99
Gain on One Time Settlement with banks/ Fis		-	34.46	41.06
Reversal of Provision / Impairment for doubtful receivables / advances		-	6.84	39.29
Provision / Impairment for doubtful receivables / advances		5.51	(23.19)	0.41

4 The Results for the quarter and year ended 30 June, 2024 are available on the Bombay Stock Exchange website (URL: www.bseindia.com/corporates), the National Stock Exchange website (URL: www.nseindia.com/corporates) and on the Company's website (URL: www.essar.com).

5 As on 30 June 2024, the net worth of the Group is eroded as it is incurring operating losses since last several years. The Group has accumulated losses of ₹ 6,016.21 crore as against share capital and reserves of ₹ 3187.51 crore and the Group's current liabilities exceeds its current assets. The Holding Company has given Tug on Bare-boat charter basis and earned operating income from the same. Further, the Holding Company is also providing Management service to its Subsidiary and other group company during the year. Also the Group is taking steps to rectify the mismatch between current assets and liabilities during the year. In view of these, the Financials have been prepared on a Going Concern basis.

6 Lenders to a Subsidiary Company (where the Holding Company is a Guarantor) have filed suit against the Company before the NCLT/ DRT for recovery of loans granted to the subsidiary company (Holding Company is a Guarantor). The said subsidiary Company is under liquidation. The Holding Company is in advanced stage of negotiations with its lenders for One Time Settlement and has obtained stay on the liquidation proceedings till 5th June 2024.

7 The Holding Company has entered into Share Purchase Agreement to sell equity shares of one of its foreign subsidiary company after the closing of the current quarter.

8 In line with the shareholders approval, during the current quarter, the Holding Company redeemed FCCBs to the tune of ₹ 333.56 crore by availing loans from companies.

9 One of the subsidiary companies has acquired stake in a Mexican company for USD 990 during the current quarter.

Subsequent events:

- 10 a. One of the foreign subsidiary companies have sold its semi submersible rig to another foreign subsidiary company.
b. One of the foreign subsidiary companies have settled the loan with two of its lenders and No Dues Certificate from one lender is received. No Dues Certificate from another lender is awaited.
c. The company has redeemed balance amount of ₹ 200.42 crore by availing loans from companies. With this, the company has completed the full redemption of FCCBs.

11 The figures for the quarter ended 31 March 2024 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.



For and on behalf of the Board

Rajesh D. Desai

Rajesh Desai
Director

Place: Mumbai

Date: 8 August 2024



ESSAR SHIPPING LIMITED				
Regd. Office: EBTSL Premises, ER-2 Building (Admin Building) Salaya, 44 KM, P.O. Box No.7, Taluka Khamballa, Devbhumi Dwarka, Gujarat - 361305 esl.secretarial@essarshipping.co.in, website: www.essar.com, CIN: L61200GJ2010PLC060285				
Head Office: Essar House, 11, Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034				
Unaudited Consolidated Segment wise Revenue, Results and Capital employed for the quarter ended 30 June, 2024				
	(₹ in crore)			
Particulars	Quarter ended			Year ended
	30.06.2024 (Unaudited)	31.03.2024 (Refer Note 11)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
Segment Revenue				
Operating Income				
Fleet operating and chartering	4.59	4.57	2.06	17.46
Rig operating and chartering	-	0.01	10.85	10.93
Total	4.59	4.58	12.91	28.38
Less: Inter segment revenue	(2.05)	(2.04)	(2.02)	(8.15)
Total Income from operations	2.54	2.54	10.89	20.24
Other income unallocated	9.03	10.89	37.59	62.38
Total Income	11.57	13.43	48.48	82.61
Segment Results				
Fleet operating and chartering	1.34	6.11	35.80	53.36
Rig operating and chartering	(1.34)	(27.31)	(6.30)	(90.05)
Total	(0.00)	(21.20)	29.50	(36.69)
Less: Unallocated interest and finance costs	(28.99)	(44.59)	(11.49)	(81.39)
Profit / (Loss) before tax	(28.99)	(65.79)	18.01	(118.08)
Exceptional items	(5.54)	12.61	8.12	12.94
Profit / (Loss) for the period / year after exceptional items	(34.53)	(53.18)	26.13	(105.14)
Less: Tax expense	-	-	-	0.83
Profit / (Loss) for the period / year before share of profit of associate	(34.53)	(53.18)	26.13	(104.31)
Share of profit / (loss) of associate	(0.00)	(0.00)	-	(0.00)
Profit / (Loss) for the period / year after share of profit / (loss) of associate	(34.54)	(53.18)	26.13	(104.32)
Capital employed (segment assets-segment liabilities)				
Fleet operating and chartering	(2,060.81)	278.16	(2,001.03)	(1,788.71)
- Assets	29.17	(7.84)	27.25	22.29
- Liabilities	(2,089.99)	286.00	(2,028.28)	(1,811.00)
Oilfields services	(1,123.38)	140.56	(1,073.17)	(1,009.26)
- Assets	134.40	32.51	71.99	98.97
- Liabilities	(1,257.78)	108.05	(1,145.16)	(1,108.23)
Unallocated	600.27	(190.39)	875.60	747.06
- Assets	642.44	(155.25)	877.76	789.76
- Liabilities	(42.17)	(35.14)	(2.16)	(42.70)
Total	(2,583.92)	228.33	(2,198.60)	(2,050.91)

For and on behalf of the Board



Rajesh Desai

Rajesh Desai
Director

Place: Mumbai

Date: 8 August 2024

