

August 14, 2018

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India

Corporate Identity Number
L61200GJ2010PLC060285

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Dear Sir/s,

Sub: Outcome of Board Meeting.

With reference to the captioned subject matter, we would like to inform you that a meeting of Board of Directors was held today i.e. on August 14, 2018. The Board at its meeting approved the Unaudited Standalone Financial Results of the Company for the quarter ended June 30, 2018.

Further, the Board opted for not publishing the Consolidated Financial Results for the quarter ending June 30, 2018, with reference to Regulation 33 (3) (b) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please acknowledge the same and take it on your records.

Yours faithfully,

For Essar Shipping Limited


Awaneesh Srivastava
Company Secretary



- Encl:** 1. Financials as stated above.
2. Limited Review Report issued by the Statutory Auditors for the quarter ended June 30, 2018.

Independent Auditor's Report on Quarterly Standalone financial results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**To the Board of Directors of Essar Shipping Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind-AS financial results of **Essar Shipping Limited** ("the Company") for the quarter ended June 30, 2018 together with the notes thereon attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016 which has been initiated by us for identification purposes.
2. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial results based on our review.
3. We conducted our review 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 financial results are free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. **Material Uncertainty Related To Going Concern:**
 - a. We draw attention to Note 5 of the standalone financial results wherein in view of the fact that current liabilities exceed the current assets, there is an indication of material uncertainty on the company's ability to continue as a going concern. The company has, however, represented that, as mentioned in the said note, necessary steps are being taken to remedy the said mismatch.
 - b. We draw attention to Note 6 of the standalone financial results wherein the management's assessment of possible impairment / 'other than temporary' decline in the value of long term investment in certain investee companies as per Ind AS 36 Impairment of Assets. As has been described in the said note, the management is still evaluating the financial impact, if any, which will be considered after the completion of the said exercise.

Our conclusion on the standalone financial results is not modified for the above matters.

6. 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 Ind-AS 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 or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulation 33 of the SEBI (Listing Obligations and



CNK & Associates LLP

Chartered Accountants

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Disclosure Requirements) Regulations, 2015 as modified by Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For CNK & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W/W - 100036



Manish Sampat

Partner

Membership No.101684

Place: Mumbai

Date: August 14, 2018



ESSAR SHIPPING LIMITED

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

Statement of Standalone Unaudited Financial Results for the quarter ended 30th June, 2018

		₹ in crore			
Sl.No.	Particulars	Quarter ended			Year ended
		30.06.2018 (Unaudited)	31.03.2018 (Refer note 8)	30.06.2017 (Unaudited)	31.03.2018 (Audited)
I	Income from operations	169.54	163.04	180.29	643.41
II	Other income	1.46	26.79	1.71	60.14
III	Total income from operations (I+II)	171.00	189.83	182.00	703.55
IV	Expenses				
a)	Operating expenses	105.38	94.96	87.40	372.20
b)	Employee benefit expenses	19.70	22.50	25.56	94.28
c)	Finance costs	47.34	71.54	85.24	265.24
d)	Depreciation and amortisation expenses	25.08	30.76	31.52	125.04
e)	Other expenses (refer note 4)	52.20	12.37	15.44	21.69
	Total expenses	249.70	232.13	245.16	878.45
V	Loss for the period / year before tax and exceptional items (III-IV)	(78.70)	(42.30)	(63.16)	(174.90)
VI	Exceptional items				
	Income	-	369.81	-	369.81
	Expense	-	(145.50)	-	(145.50)
VII	(Loss) / Profit for the period / year after exceptional items (V-VI)	(78.70)	182.01	(63.16)	49.41
VIII	Tax expenses	(0.55)	(1.44)	(0.65)	(3.24)
IX	(Loss) / Profit after tax	(79.25)	180.57	(63.81)	46.17
X	Other comprehensive income / (expense) net of tax	0.40	(0.13)	0.43	0.75
XI	Total comprehensive (loss) / profit net of tax (IX+X)	(78.85)	180.44	(63.38)	46.92
XII	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98
XIII	Reserves (excluding revaluation reserves)				1,583.81
XIV	Earnings per share before exceptional items (EPS) (not annualised)	(3.83)	(2.11)	(3.08)	(8.61)
	(a) Basic (in ₹)				
	(b) Diluted (in ₹)	(3.83)	(2.11)	(3.08)	(8.61)
XV	Earnings per share after exceptional items (EPS) (not annualised)	(3.83)	8.72	(3.08)	2.23
	(a) Basic (in ₹)	(3.83)	8.72	(3.08)	2.23
	(b) Diluted (in ₹)	(3.83)	8.72	(3.08)	2.23

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NOTES:

- 1 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 14th August, 2018. The Statutory Auditors have carried out a Limited Review of the above results.
- 2 The Company has only one reportable business segment of Fleet Operating and Chartering.
- 3 Income from operations include ₹ 2.67 crore profit on sale of an old bulk carrier which had completed its economic useful life.
- 4 Other expenses include significant foreign exchange conversion loss of ₹ 49.25 crore in quarter ended 30.06.2018, as compared to foreign exchange conversion loss of ₹ 5.79 crore in quarter ended 31.03.2018 and ₹ 12.28 crore in corresponding previous quarter ended 30.06.2017.
- 5 As on 30th June, 2018, the Company's Current Liabilities exceed its Current Assets. Management is taking appropriate steps to rectify this working capital deficit by negotiating with lenders to reschedule certain debt so that the maturity of the same would be extended beyond one year or through one time settlement. In view of this , these results have been prepared on a Going Concern basis. The statutory auditors have mentioned this fact in their Limited Review Report without qualifying this aspect.
- 6 Evaluation of impairment of Company's investments in certain subsidiary companies, as per IndAS 36 "impairment of assets", is being assessed and the impact, if any, will be considered in the accounts of the year.
- 7 The appointment of and remuneration to the two Whole-time Directors had been approved by the shareholders at the last AGM of the Company and applications to the Central Government had been made for approval. The amount drawn by the whole time Directors during the quarter amounts to ₹ 0.43 crore.
- 8 The figures for the quarter ended 31st March, 2018 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
- 9 The figures of the previous period(s) /year have been regrouped / reclassified wherever necessary.

For and on behalf of the Board



Ranjit Singh
Executive Director & CEO

Place: Mumbai
Date: 14th August, 2018

