

Date: **08th November, 2023**

The Manager
Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001
Fax: +91 22 2272 2082/3132
BSE Code: 533704

The Manager
Bandra Kurla Complex
“Exchange Plaza”
National Stock Exchange of India Limited
Listing Department
Bandra (E)
Fax: +91 22 2659 8237/38
Mumbai - 400 051
NSE Code: ESSARSHPNG

Dear Sir/Madam,

Subject: Outcome of Board Meeting held on November 08, 2023 and Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of 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 Wednesday, November 08, 2023 have inter-alia considered and approved the following matters:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended 30th September, 2023 along with Limited Review Report. The financial results along with Limited Review Reports are attached herewith as **Annexure I**.
2. Disinvestment in Overseas Direct Investments (ODI) by sale of shares of subsidiary Companies Energy II Limited, Bermuda and Essar Shipping DMCC, Dubai and redemption of FCCB's

Upon completion of said transaction, the said subsidiaries shall cease to be the subsidiary of the Company.

Further in terms of regulation 30 of SEBI (LODR) Regulations, 2015 read with SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is attached herewith as **Annexure II**.

The meeting of Board of Directors of the Company commenced at 11.00 AM and concluded at 05.10 PM.



This is for your kind information and records.

Yours faithfully,

For Essar Shipping Limited

Rajesh Desai
Director
DIN: 08848625

CNK & Associates LLP

Chartered Accountants

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 and half year ended September 30, 2023, ("the Statement"), 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 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 November 8, 2023, 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 Listing Regulations 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.
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

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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 Unaudited Standalone Financial Results wherein it is stated that

- The Company's current liabilities (including FCCB which have fallen due for redemption) exceed its current assets as on September 30, 2023
- Some of the Lenders of the Company's Subsidiary (where the Company is a Guarantor) and the Company's lenders have filed applications before the High Court / National Company Law Tribunal / Debt Recovery Tribunals 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 incurring continuous 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 business opportunity for a future business built 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 by monetising its assets.

The management has represented that based on the above, the Standalone Financial Results have been prepared on going concern basis.

Our conclusion on the 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. We draw attention to Note No.6 of the Unaudited Standalone Financial Results relating to recognition of revenue amounting to Rs. 369.81 crore (including accrued interest up to 31st March 2018) in the financial year 2017-18 based on compensation granted to the Company in the arbitration proceedings for breach of contract terms by a charterer and non-recognition of



interest accrued on the amount recoverable for the period 1st April 2018 till 30th September 2023. The Company is in the process of exploring other remedies to settle the matter. The interest on the awarded amount from 1st April 2018 will be accounted on final adjudication/settlement of the case.

- iii. We draw attention to Note No.7 of the Unaudited Standalone Financial Results relating to recognition of gain on settlement with one of the banks in the preceding year. Standby Letter of Credit (SBLC) issued by the Company in an earlier year with the said bank for Rs. 303.37 crore to secure a loan availed by a subsidiary, were invoked in an earlier year. In the preceding year, the Company had settled the loan with the said bank and paid the dues through monetisation of assets. Pending outstanding bank guarantee, 'no due Certificate' has not been received from the said bank till date. The Company does not expect any additional liability to devolve in this regard.
- iv. We draw attention to Note No.8 of the Unaudited Standalone Financial Results relating to the FCCB amounting to Rs.1,537.62 crore which have become due for repayment on August 24, 2023. The shareholders of the Company at their AGM held on September 29, 2023, approved the redemption of the FCCB. The Company is endeavouring for redemption of the FCCB as approved by the shareholders in the AGM.
- v. 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.
- vi. Borrowings from various lenders are subject to confirmation / reconciliation.

Our conclusion on the Unaudited 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. 40740

UDIN: 23040740BG5FBX2740

Place: Mumbai

Date: November 8, 2023



ESSAR SHIPPING LIMITED

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

Statement of Unaudited Standalone Financial Results for the Quarter and Half year ended 30 September 2023

(₹ in crore)

Sl.No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
I	Income from operations	4.55	2.06	1.29	6.61	1.96	3.33
II	Other income						
	a) Profit on sale of ships and other assets (net)	-	-	-	-	-	-
	b) Other Income	0.36	31.20	18.26	31.56	18.62	35.53
III	Total income from operations (I+II)	4.91	33.26	19.55	38.17	20.58	38.86
IV	Expenses						
	a) Operating expenses	0.91	-	0.25	0.91	0.73	0.51
	b) Employee benefit expenses	1.98	1.39	0.97	3.37	2.00	3.65
	c) Finance costs	0.45	2.57	42.92	3.02	87.42	94.65
	d) Depreciation and amortisation expenses	0.18	0.18	0.00	0.36	0.00	0.22
	e) Other expenses	1.59	2.15	4.39	3.74	6.69	12.36
	Total expenses	5.11	6.30	48.53	11.41	96.84	111.39
V	Profit / (Loss) for the period / year before exceptional items and tax (III-IV)	(0.20)	26.96	(28.98)	26.76	(76.26)	(72.53)
VI	Exceptional items (refer Note no.3)						
	Income	2.27	13.44	-	15.72	-	1,751.97
	Expense	-	-	-	-	-	(13.19)
VII	Profit / (Loss) for the period / year before tax and after exceptional items (V+VI)	2.07	40.40	(28.98)	42.48	(76.26)	1,666.25
VIII	Tax expenses	0.83	-	16.71	0.83	16.71	26.46
IX	Profit / (Loss) after tax (VII+VIII)	2.90	40.40	(12.26)	43.31	(59.55)	1,692.71
X	Other comprehensive income net of tax	(0.39)	0.08	(0.02)	(0.31)	(0.02)	0.17
XI	Total comprehensive profit/ (loss) net of tax (IX+X)	2.51	40.49	(12.29)	43.00	(59.57)	1,692.88
XII	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98	206.98	206.98
XIII	Reserves excluding revaluation reserves	-	-	-	-	-	(1,810.45)
XIV	Earnings per share before exceptional items (EPS)						
	(a) Basic (in ₹)	*0.03	*1.3	*(0.59)	*1.33	*(2.88)	(2.23)
	(b) Diluted (in ₹)	*0.03	*1.3	*(0.59)	*1.33	*(2.88)	(2.23)
XV	Earnings per share after exceptional items (EPS)						
	(a) Basic (in ₹)	*0.14	*1.95	*(0.59)	*2.09	*(2.88)	81.78
	(b) Diluted (in ₹)	*0.14	*1.95	*(0.59)	*2.09	*(2.88)	81.78

* Not annualised



Statement of Unaudited Standalone Assets and Liabilities as at 30 September 2023

(₹ in crore)

Particulars	As at 30.09.2023 (Unaudited)	As at 31.03.2023 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	3.35	3.69
(b) Investments in subsidiaries and associates	0.00	35.77
(c) Financial assets		
- Other financial assets	4.16	4.16
(c) Other non-current assets	0.05	1.04
Total non-current assets	7.56	44.66
Current assets		
(a) Inventories	-	-
(b) Financial assets		
i. Investments	0.04	1.71
ii. Trade and other receivables	3.06	1.37
iii. Cash and cash equivalents	10.44	19.77
iv. Loans	-	0.00
v. Other financial assets	311.09	310.60
(c) Other current assets	5.33	3.42
Total current assets	329.95	336.87
TOTAL ASSETS	337.52	381.53
EQUITY AND LIABILITIES		
Equity		
Equity share capital	206.98	206.98
Other Equity		
Reserves and surplus	(1,767.46)	(1,810.45)
Total equity	(1,560.48)	(1,603.47)
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	338.74	398.19
Total non-current liabilities	338.74	398.19
Current liabilities		
(a) Financial liabilities		
i. Borrowings	1,537.62	1,537.69
ii. Trade payables		
- Total outstanding dues to micro and small enterprises	-	-
- Total outstanding dues to creditors other than micro and small enterprises	16.51	32.94
iii. Other financial liabilities	2.16	13.17
(b) Employee benefit obligations	2.95	2.65
(c) Other current liabilities	0.02	0.37
Total current liabilities	1,559.26	1,586.82
Total liabilities	1,898.00	1,985.00
TOTAL EQUITY AND LIABILITIES	337.52	381.53

P.S.D.



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 November, 2023.

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			Half year ended		Year ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
Income						
Reversal of Provision for impairment of loans & advances receivable from subsidiary	2.27	6.84	-	9.12	-	57.55
Gain from One Time Settlement with banks/ FIs	-	6.60	-	6.60	-	1,694.42
Expense						
Provision for impairment of loans and advances receivable from subsidiary	-	-	-	-	-	13.19

4 As on 30 September 2023, the net worth of the Company is eroded as it is incurring operating losses since last several years. The Company has accumulated losses of ₹ 6,778.52 crore as against share capital and reserves of ₹ 5218.41 crore and the Company's current liabilities exceeds its current assets. The Company has given Tug on Bareboat charter basis and earned operating income from the same. Further, the Company is also providing Management service to its Subsidiary Company during the quarter. 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 / Bombay High Court for recovery of loans granted to the subsidiary company (Company is a Guarantor). Company is defending all such proceedings.

6 During the year 2017-18, the Company had recognized income of ₹ 369.81 crore from an Arbitration Award along with interest accrued thereon up to 31st March 2018. The Arbitration Award has been litigated disputed by the contractor, and on the direction of the Supreme Court, the contractor has deposited 50% of the awarded amount with the Court, pending disposal of the case. The Company is also in process of exploring other remedies to settle the same. The interest on the final awarded amount from 1st April 2018 will be accounted on final adjudication/settlement of the case.

7 During the last financial year, the Company had settled the loan with one of the lender by monetising the security offered under the facility. The Company has reversed the amount waived including unpaid interest of ₹ 340.80 crores and shown as exceptional income in profit and loss account in last financial year. The no dues certificate will be issued by the lender upon completion of the agreed milestone.

8 The repayment of the FCCBs had fallen due on 23rd August 2023. The Company is endeavouring for redemption as approved by the shareholders in the AGM.

9 The figures for the quarter ended 31 March 2023 is 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.

10 The figures of the previous period(s) / year have been regrouped / reclassified wherever necessary.

Place : Mumbai
Date : 8 November, 2023



For and on behalf of the Board

Rajesh D. Desai

Rajesh Desai
Director

ESSAR SHIPPING LIMITED
Standalone Statement of Cash Flows for the half year ended 30 September 2023

(₹ in crore)

Particulars	Half Year ended 30 September, 2023	Year ended 31 March, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	42.48	1,666.25
Adjustments for :		
Exceptional Items		
- Reversal of Provision for impairment of loans & advances receivable from subsidiary (net)	(9.12)	(57.55)
- Provision for Impairment of loans and advances receivable from Subsidiary	-	13.19
Gain on sale/Fair Vale of current investment measured at FVTPL	0.04	-
Gain on One Time Settlement	(6.60)	(1,694.42)
Other non-operating income	0.00	(4.55)
Depreciation	0.36	0.22
Finance costs	3.02	94.65
Interest income	(0.48)	(28.17)
Operating profit before working capital changes	29.70	(10.38)
Changes in working capital:		
(Increase) / Decrease in trade receivables, loans and advances and other assets	5.43	53.11
Increase / (Decrease) in trade payables, other liabilities and short term provisions	(17.27)	(4.55)
Cash generated from operations	17.86	38.19
Income taxes refunded / (paid), net	1.89	46.14
Net cash generated from operating activities	19.76	84.33
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment of capital expenditure on Property, Plant and Equipment including capital advances and Capital Work in Progress	(0.03)	(3.77)
(Purchase) / Sale of Current Investments (Net)	1.63	(0.09)
Proceeds/(Investment) in Bank deposits	12.31	(11.79)
Proceeds from sale of investments	35.77	-
Interest received	0.48	28.17
Net cash (used in) / generated from investing activities	50.17	12.52
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Deposits	(0.48)	(0.03)
Proceeds from intercorporate deposits	6.18	403.67
Repayment of intercorporate deposits	(65.63)	(123.45)
Repayment of long-term loans	(7.02)	(383.83)
Net cash used in financing activities	(66.95)	(103.64)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	2.98	(6.79)
Cash and cash equivalents at the beginning of the year	0.71	7.50
Cash and cash equivalents at the end of the year	3.69	0.71


R.D.S.


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 quarter and half year ended September 30, 2023, ("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 November 8, 2023, 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.

4. Based on our review conducted and procedures performed stated in paragraph 3 above, 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.

5. **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 FCCB which have fallen due for redemption) exceed its current assets as on September 30, 2023.
- Some of the lenders of the Company's Subsidiary (where the Company is a Guarantor) and the Holding Company's lenders have filed applications before the High Court / National Company Law Tribunal / Debt Recovery Tribunals for recovery of overdue amounts and / or enforcement of guarantees.
- The Group has disposed off most of its operating 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.

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 further business opportunities for a future business build up including in-chartering in the shipping sector. The Group has earned operating income by way of hire charges and is taking steps to rectify the mismatch in working capital by monetizing its assets.

The management has represented that based on the above, these Consolidated Financial Results have been prepared on going concern basis.

6. **Emphasis of Matter**

- a. 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.
- b. In case of one subsidiary, the auditors have pointed out that in spite of not having operations for last several years, the concerned financial statements / results have been prepared on going concern basis, in view of the representation by the management that the Company has a positive net worth and management has plans to restart the operating activities in the near future.



- c. We draw attention to Note No.7 of the Unaudited Consolidated Financial Results relating to recognition of revenue amounting to Rs. 369.81 crore (including accrued interest up to 31st March 2018) in the financial year 2017-18 based on compensation granted to the Holding Company in the arbitration proceedings for breach of contract terms by a charterer and non-recognition of interest accrued on the amount recoverable for the period 1st April 2018 till 30th September 2023. The Holding Company is in the process of exploring other remedies to settle the matter. The interest on the awarded amount from 1st April 2018 will be accounted on final adjudication/settlement of the case.
- d. We draw attention to Note No. 8 of the Unaudited Consolidated Financial Results relating to recognition of gain on settlement with one of the banks in the preceding year. Standby Letter of Credit (SBLC) issued by the Holding Company in an earlier year with the said bank for Rs. 303.37 crore to secure a loan availed by a subsidiary, were invoked in an earlier year. In the preceding year, the Holding Company had settled the loan with the said bank and paid the dues through monetization of assets. Pending outstanding bank guarantee, 'no due Certificate' has not been received from the said bank till date. The Holding Company does not expect any additional liability to devolve in this regard.
- e. We draw attention to Note No.8 relating to the FCCB amounting to Rs.1,537.62 which have become due for repayment on August 24, 2023. The shareholders of the Holding Company at their AGM held on September 29, 2023 approved the redemption of the FCCB. The Holding Company is endeavouring for redemption of the FCCB as approved by the shareholders in the AGM.
- f. 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.
- g. Borrowings from various lenders are subject to confirmation / reconciliation.

Our Opinion is not modified for the above matters.

7. 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.1108.60 crore) as at September 30, 2023, total revenue of Rs. Nil and Rs.10.88 crore and total comprehensive loss (comprising of net loss after tax and other comprehensive income) of (Rs.33.90 crore) and (RS.49.04 crore) for the quarter and half year ended on September 30, 2023, respectively, 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 the associate, which ceased to be an associate w.e.f. May 31, 2023, the share of profit / (loss) (amount not ascertained) up to the date of cessation, has not been included in the unaudited consolidated financial results.
- d. In case of one step down subsidiary and jointly controlled entity, share of profit / (loss) (amount not ascertained) for the quarter and half year ended September 30, 2023 has not been included in the 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 and jointly controlled entity are 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 P. Sapre

Partner

Membership No. 04740

UDIN: 23040740BG5FBY702



Mumbai

Date: November 8, 2023

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. Starbit Oilfields Services India Limited (Not Consolidated)

List of Jointly Controlled Entity

1. OGD-EHES JV Private Limited [share of profit/(loss) not consolidated]

List of Associates:

1. Arkay Logistics Limited (ceased to be an associate w.e.f. May 31, 2023) [share of profit/(loss) not consolidated]



ESSAR SHIPPING LIMITED

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 esl.secretarial@essarshipping.co.in, website: www.essar.com, CIN:L61200GJ2010PLC660255

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

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended 30 September, 2023

(₹ in crore)

Sl.No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
I	a) Income from operations						
	Fleet operating and chartering	4.20	0.04	1.29	4.24	1.96	1.98
	Rig operating and chartering	0.03	10.85	15.55	10.88	30.55	58.69
	Other operating income	-	-	-	-	-	-
	b) Other income						
	Profit on sale of ships and other assets (net)	-	-	0.06	-	0.19	-
	Other Income	7.53	37.59	32.42	45.12	41.21	103.93
	Total income from operations	11.77	48.48	49.32	60.25	73.91	164.59
II	Expenses						
	a) Operating expenses	8.94	3.41	1.89	12.35	2.81	3.93
	b) Employee benefits expenses	7.24	2.57	1.93	9.81	4.03	4.03
	c) Finance costs	9.53	11.49	75.47	21.03	143.05	131.57
	d) Depreciation	10.79	10.61	12.67	21.40	24.93	41.14
	e) Other expenses	8.86	2.38	5.56	11.24	8.85	20.49
	Total expenses	45.36	30.47	97.52	75.83	183.68	201.17
III	Profit / (Loss) for the period / year before exceptional items, tax and share of profit of associate	(33.59)	18.01	(48.20)	(15.58)	(109.77)	(36.58)
IV	Exceptional items (refer note 3)						
	Income	2.27	13.44	(6.61)	15.72	44.31	1,694.42
	Expense	(5.42)	(5.33)	(5.25)	(10.75)	(10.24)	(34.09)
V	Profit / (Loss) for the period / year after exceptional items and before tax	(36.74)	26.13	(60.06)	(10.61)	(75.70)	1,623.75
VI	Tax expenses	0.83	-	16.71	0.83	16.71	26.46
VII	Profit / (Loss) for the period / year after tax before share of profit of associate	(35.91)	26.13	(43.35)	(9.78)	(58.99)	1,650.21
VIII	Share of profit / (loss) of associate	-	-	2.87	-	2.87	0.24
IX	Profit / (Loss) for the period / year after share of profit / (loss) of associate	(35.91)	26.13	(40.47)	(9.78)	(56.12)	1,650.45
	Attributable to:						
	-Shareholders of the Parent	(35.96)	26.06	(40.54)	(9.92)	(56.26)	1,650.21
	-Non-controlling interests	0.07	0.07	0.07	0.14	0.14	0.24
X	Other comprehensive income net of tax	(0.36)	0.08	0.01	(0.31)	0.01	0.17
XI	Total comprehensive profit / (loss) net of tax	(36.30)	26.21	(40.46)	(10.09)	(56.11)	1,650.62
	Attributable to:						
	-Shareholders of the Parent	(36.37)	26.14	(40.53)	(10.23)	(56.25)	1,650.38
	-Non-controlling interests	0.07	0.07	0.07	0.14	0.14	0.24
XII	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98	206.98	206.98
XIII	Total Reserves						(2,949.06)
XIV	Earnings per share before exceptional items (EPS)						
	(a) Basic (in ₹)	*(1.58)	*0.87	*(1.38)	*(0.71)	*(4.36)	(0.48)
	(b) Diluted (in ₹)	*(1.58)	*0.87	*(1.38)	*(0.71)	*(4.36)	(0.48)
XV	Earnings per share after exceptional items (EPS)						
	(a) Basic (in ₹)	*(1.73)	*1.26	*(1.96)	*(0.47)	*(2.71)	(79.74)
	(b) Diluted (in ₹)	*(1.73)	*1.26	*(1.96)	*(0.47)	*(2.71)	(79.74)
	* Not annualised						



R-02



Statement of Consolidated Assets and Liabilities as at 30 September, 2023		
(₹ in crore)		
Particulars	As at 30 September, 2023 (Unaudited)	As at 31 March, 2023 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	36.60	57.75
(b) Capital work-in-progress	(0.00)	(0.00)
(c) Investments	0.00	36.01
(d) Financial assets		
- Other financial assets	4.16	4.16
(e) Other non-current assets	0.05	1.04
Total non-current assets	40.81	98.96
Current assets		
(b) Inventories	-	2.68
(c) Financial assets		
i. Investments in Mutual Fund	0.04	1.71
ii. Trade and other receivables	15.03	13.14
iii. Cash and cash equivalents	15.80	25.38
iv. Loans	564.97	563.93
v. Other financial assets	311.11	328.90
(d) Other current assets	13.52	11.84
(e) Asset classified as held for sale	-	-
Total current assets	920.47	947.56
TOTAL ASSETS	961.28	1,046.52
EQUITY AND LIABILITIES		
Equity		
Equity share capital	206.98	206.98
Other Equity		
Reserves and surplus	(2,902.03)	(2,949.06)
Non-controlling Interests	119.57	118.46
Total equity	(2,575.48)	(2,623.62)
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	338.74	398.19
Total non-current liabilities	338.74	398.19
Current liabilities		
(a) Financial liabilities		
i. Borrowings	2,303.32	2,305.74
ii. Trade payables	24.66	44.61
iii. Other financial liabilities	847.54	895.31
(b) Employee benefit obligations	2.95	2.65
(c) Current tax liabilities	19.53	19.79
(d) Other current liabilities	0.02	3.86
Total current liabilities	3,198.02	3,271.95
Total liabilities	3,536.76	3,670.14
TOTAL EQUITY AND LIABILITIES	961.28	1,046.52



R.P.S.



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 November, 2023

2 The Consolidated Financial Results include results of the Holding Company and three overseas subsidiaries. The Statement also includes unaudited figures in respect of one step-down subsidiary which is certified by their management. One Joint venture company and one Subsidiary Company, which is admitted to NCLT are not considered for consolidation.

3 Exceptional items comprise of the following:

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
Income						
Gain on One Time Settlement with banks/ FIs	-	6.60	(0.00)	6.60	44.31	1,694.42
Reversal of Provision / Impairment for doubtful receivables / advances	2.27	6.84	(6.61)	9.12	-	-
Expense						
Provision / Impairment for doubtful receivables / advances	5.42	5.33	5.25	10.75	10.24	34.09

4 The Results for the quarter ended 30 September, 2023 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 September 2023, the net worth of the Group is eroded as it is incurring operating losses since last several years. The Group has accumulated losses of ₹ 6,057 crore as against share capital and reserves of ₹ 3350.97 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 Company during the quarter. 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 one of the Subsidiary Company have filed suit against the Group before the NCLT/ DRT / Bombay High Court for recovery of loans granted to the subsidiary company. Group is defending all such proceedings.

7 During the year 2017-18, the Holding Company had recognized income of ₹ 369.81 crore from an Arbitration Award along with interest accrued thereon up to 31st March 2018. The Arbitration Award has been litigated disputed by the contractor, and on the direction of the Supreme Court, the contractor has deposited 50% of the awarded amount with the Court, pending disposal of the case. The Holding Company is also in process of exploring other remedies to settle the same. The interest on the final awarded amount from 1st April 2018 will be accounted on final adjudication/settlement of the case.

8 During the last financial year, the Holding Company had settled the loan with one of the lender by monetising the security offered under the facility. The Holding Company has reversed the amount waived including unpaid Interest of ₹ 340.80 crores and shown as exceptional income in profit and loss account in last financial year. The no dues certificate will be issued by the lender upon completion of the agreed milestone.

9 The repayment of the FCCBs had fallen due on 23rd August 2023. The Holding Company is endeavouring for redemption as approved by the shareholders in the AGM.

10 The figures for the quarter ended 31 March 2023 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.

11 The figures of the previous period(s) / year have been regrouped / reclassified wherever necessary.

Place: Mumbai
Date: 8 November 2023



For and on behalf of the Board

Rajesh D. Desai

Rajesh Desai
Director

ESSAR SHIPPING LIMITED						
Regd. Office: EBTSL Premises, ER-2 Building (Admin Building) Safaya, 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 & half year ended 30 September, 2023						
	(₹ in crore)					
Particulars	Quarter ended			Half year ended		Year ended
	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
Segment Revenue						
Operating Income						
Fleet operating and chartering	6.24	2.06	1.29	8.30	1.96	3.33
Rig operating and chartering	0.03	10.85	15.55	10.88	30.55	58.89
Total	6.27	12.91	16.84	19.18	32.51	62.02
Less: Inter segment revenue	(2.03)	(2.02)	-	(4.06)	-	(1.35)
Total Income from operations	4.24	10.89	16.84	15.13	32.51	60.67
Other income unallocated	7.53	37.59	32.48	45.12	41.39	103.93
Total Income	11.77	48.48	49.32	60.25	73.91	164.59
Segment Results						
Fleet operating and chartering	0.69	35.80	26.36	36.49	31.16	78.78
Rig operating and chartering	(24.75)	(6.30)	0.89	(31.05)	2.10	16.22
Total	(24.06)	29.50	27.25	5.44	33.26	95.00
Less: Unallocated interest and finance costs	(9.53)	(11.49)	(75.47)	(21.03)	(143.06)	(131.57)
Profit / (Loss) before tax	(33.59)	18.01	(48.21)	(15.59)	(109.80)	(36.57)
Exceptional items	(3.14)	8.12	(11.86)	4.97	34.07	1,660.33
Profit / (Loss) for the period / year after exceptional items	(36.74)	26.13	(60.07)	(10.61)	(75.73)	1,623.76
Less: Tax expense	0.83	-	16.71	0.83	16.71	26.46
Profit / (Loss) for the period / year before share of profit of associate	(35.91)	26.13	(43.36)	(9.78)	(59.02)	1,550.23
Share of profit / (loss) of associate	-	-	2.87	-	2.87	0.24
Profit / (Loss) for the period / year after share of profit / (loss) of associate	(35.91)	26.13	(40.48)	(9.78)	(56.14)	1,550.46
Capital employed (segment assets-segment liabilities)						
Fleet operating and chartering	(2.50)	(2,001.03)	11.84	(2,003.53)	(783.94)	(2,044.35)
- Assets	1.45	27.25	13.33	28.70	76.37	75.01
- Liabilities	(3.95)	(2,028.28)	(1.50)	(2,032.23)	(860.31)	(2,119.36)
Oilfields services	(33.97)	(1,073.17)	(56.05)	(1,107.14)	(2,005.16)	(1,060.76)
- Assets	(15.49)	71.99	(12.12)	56.50	219.30	78.68
- Liabilities	(18.48)	(1,145.16)	(53.93)	(1,163.64)	(2,224.46)	(1,139.44)
Unallocated	(1.68)	875.60	(24.23)	873.92	(316.61)	879.66
- Assets	(1.68)	877.76	18.92	876.08	900.66	892.82
- Liabilities	-	(2.16)	(43.16)	(2.16)	(1,217.27)	(13.17)
Total	(38.16)	(2,198.60)	(78.45)	(2,236.75)	(3,105.72)	(2,225.44)



For and on behalf of the Board

Rajesh Desai

Rajesh Desai
Director

Place: Mumbai
Date: 8 November 2023

ESSAR SHIPPING LIMITED		
Consolidated Statement of Cash Flows for the half year ended 30 September, 2023		
(₹ in crore)		
Particulars	Half Year ended 30 September 2023	Year ended 31 March, 2023
	Unaudited	Audited
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(10.61)	1,681.31
Adjustments for :		
Exceptional Items		
- Provision / Impairment for doubtful receivables / advances	10.75	34.09
- Gain on One Time Settlement with bank	(6.60)	(1,694.42)
- Reversal of Provision for impairment of loans & advances receivable from subsidiary (net)	(9.12)	(57.55)
Depreciation	21.40	41.14
Finance costs	21.03	131.57
Interest income	(13.23)	(58.40)
Unrealised foreign exchange gain	(0.45)	(1.35)
Operating profit before working capital changes	13.17	76.39
Changes in working capital:		
(Increase) / Decrease in inventories	2.68	6.34
(Increase) / Decrease in trade receivables, loans and advances and other assets	58.38	447.86
Increase / (Decrease) in trade payables, other liabilities and short term provisions	(80.26)	(58.57)
Cash generated from operations	(6.03)	472.03
Income taxes refunded / (paid), net	1.61	41.60
Net cash generated from operating activities	(4.42)	513.62
B CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	(0.28)	46.52
(Purchase) / Sale of Current Investments (Net)	1.67	(0.10)
Proceeds/(Investment) in Bank deposits	(6.77)	7.30
Interest received	4.04	36.58
Net cash (used in) / generated from investing activities	(1.34)	90.31
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of intercorporate deposits and long-term loans (net)	(68.17)	(968.92)
Net cash used in financing activities	(68.17)	(968.92)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(73.94)	(364.99)
Foreign currency translation reserve	57.61	372.25
Cash and cash equivalents at the beginning of the year	25.38	18.13
Cash and cash equivalents at the end of the year	9.05	25.38



R.R.R



ANNEXURE II

Sr.No	Details required	Energy II Limited (EIL), Bermuda	Essar Shipping DMCC (ESDMCC), Dubai
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year;	Amount of total Income = Rs. 22.02 Cr (13.38%) ESL's Consolidated Incomes Rs.164.59 Cr EIL's Net-worth = Rs. 391.18 Cr ESL Consolidated Networth = Rs.2,742.08 Cr (Negative) EIL's Networth contribution (%) = 14.27 % (Negative)	Amount of total Income = Rs. 35.64 crs (21.65%) ESDMCC's Net-worth= Rs. 413.30 crs (Negative) ESDMCC's Networth contribution (%) = 15.07%
2.	Date on which the agreement for sale has been entered into	The Date of Agreement is November 08, 2023	The Date of Agreement is November 08, 2023
3.	The expected date of completion of sale/disposal	Within 180 days from the date of AGM of 2022-23.The AGM was held on September 29, 2023.	Within 180 days from the date of AGM of 2022-23.The AGM was held on September 29, 2023.
4.	Consideration to be received from such sale/disposal	USD 60.12 Million	USD 37.34 Million (ESDMCC is proposed to be sold in one or more tranches)
5.	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof	M/s. Equinox Realty Holdings Limited, Mauritius. Company incorporated on 15.01.2008. The proposed buyer belongs to the Promoter group	M/s. Equinox Realty Holdings Limited, Mauritius. Company incorporated on 15.01.2008. The proposed buyer belongs to the Promoter group
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	It is a related party transaction. Transaction is being done on arm's length basis and the transaction will not be less than the fair market value. A Valuation Report has been taken from Merchant Banker i.e, M/s, Shreni Shares Limited for calculation of value at which transaction to be executed.	It is a related party transaction. Transaction is being done on arm's length basis and the transaction will not be less than the fair market value A Valuation Report has been taken from Merchant Banker i.e, M/s, Shreni Shares Limited for calculation of value at which transaction is executed.
7.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations	Yes, the disposal of subsidiary is due to the sale of entire shares held by the Company in these subsidiaries. The company has complied with the provisions of regulation 37A of LODR Regulations at the time of taking approval of shareholders at the meeting held on September 29, 2023.	Yes, the disposal of subsidiary is due to the sale of entire shares held by the Company in these subsidiaries. The company has complied with the provisions of regulation 37A of LODR Regulations at the time of taking approval of shareholders at the meeting held on September 29, 2023.
8.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	Not Applicable	Not Applicable