

Essar Shipping Limited
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Mahalaxmi
Mumbai - 400 034
India.

Corporate Identity Number :
U61200GJ2010PLC060285

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Date: November 13, 2019

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

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

Dear Sir/Madam,

Subject: Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter & half year ended September 30, 2019

As per the requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find enclosed herewith the Unaudited Financial Results (Standalone and Consolidated) of the Company for quarter & half year ended September 30, 2019 along with the Limited Review Report, duly approved by the Board of Directors at their Meeting held on November 13, 2019.



Request you to kindly take note of the same.

Thanking You.

Yours faithfully,

For Essar Shipping Limited


Jyotsna Gupta
Company Secretary
ACS-23899
Encl.: a/a



Independent Auditor's Review 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, as amended**To the Board of Directors of Essar Shipping Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind-AS financial results ("the Statement") of **Essar Shipping Limited** ("the Company") for the quarter and half year ended 30 September 2019 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 amended ("Listing Obligations") which has been initialled 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 and in compliance with the Listing Obligations. 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. 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.
4. **Material Uncertainty Related to Going Concern**
We draw attention to Note 3 of the standalone financial results that the Company's current liabilities exceed its current assets by Rs. 1,470.58 crore as on 30 September 2019. Also, the net worth of the company is substantially eroded and it is incurring continuous losses since several quarters. As informed to us, the management is in the process of rescheduling its ongoing repayment schedules for its overdue borrowings on the basis of future visible cash flows and is negotiating a settlement with lenders. The management has also represented that based on the business prospects, the Company would begin making profits in the near future. Based on this, the financial results have been prepared by the management on going concern basis.
5. **Emphasis of Matter**
 - a. We draw attention to Note 4 of the standalone financial results wherein the Company had recognized revenue in the financial year 2017-18 amounting to Rs. 369.81 crore (including accrued interest upto 31 March 2018) based on compensation granted to the Company by arbitration proceedings for breach of contract terms by a charterer and the same remains outstanding as on 30 September 2019. The Company is confident of full recovery of its claims. However pending conclusion of the same, no further interest is accrued on the income.



- b. We also draw attention to Note 5 of the standalone financial results which states that the Company had issued standby letter of credits (SBLs) with two banks for 52 million USD to secure a loan availed by a subsidiary, which were invoked during the quarter. The Company is negotiating with the banks to change the terms and convert the liability into a term loan.
- c. We also draw attention to Note 8 of the standalone financial results wherein it is stated that one of the subsidiary companies has passed a board resolution for initiation of voluntary winding up process.

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 Disclosure Requirements) Regulations, 2015 as amended 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
UDIN: 19101634A-AAA-KC8261



Place: Mumbai
Date: 13 November 2019

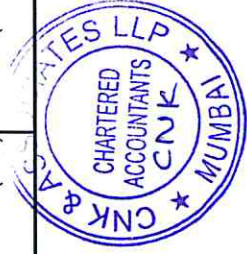
ESSAR SHIPPING LIMITED

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 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 Standalone Financial Results for the quarter and half year ended 30 September, 2019

Sl.No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
I	Income from operations	147.00	134.07	132.99	281.07	302.53	491.92
II	Other income	1.71	6.98	2.21	8.69	3.67	43.12
III	Total income from operations (I+II)	148.71	141.05	135.20	289.76	306.20	535.04
IV	Expenses						
a)	Operating expenses	89.53	72.66	89.74	162.19	195.12	294.11
b)	Employee benefit expenses	13.76	13.53	18.22	27.29	37.92	65.43
c)	Finance costs	49.03	48.73	49.79	97.76	97.13	206.17
d)	Depreciation and amortisation expenses	27.69	27.27	27.90	54.96	52.98	103.33
e)	Other expenses	16.32	3.93	41.94	20.25	76.20	58.04
	Total expenses	196.33	166.12	227.59	362.45	459.35	727.08
V	Loss for the period / year before exceptional items and tax (III-IV)	(47.62)	(25.07)	(92.39)	(72.69)	(153.15)	(192.04)
VI	Exceptional items	-	-	-	-	-	(1,400.00)
	Impairment of investment in subsidiary	-	-	-	-	-	(1,592.04)
VII	Loss for the period / year before tax and after exceptional items (V+VI)	(47.62)	(25.07)	(92.39)	(72.69)	(153.15)	(1,592.04)
VIII	Tax expenses	(0.30)	(0.30)	(0.40)	(0.60)	(0.95)	(1.45)
IX	Loss after tax (VII+VIII)	(47.92)	(25.37)	(92.79)	(73.29)	(154.10)	(1,593.49)
X	Other comprehensive income net of tax	1.67	0.40	0.10	2.07	0.50	1.42
XI	Total comprehensive loss net of tax (IX+X)	(46.25)	(24.97)	(92.69)	(71.22)	(153.60)	(1,592.07)
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	-	-	-	-	-	(8.26)
XIV	Earnings per share before exceptional items (EPS)	*(2.32)	*(1.23)	*(4.48)	*(3.54)	*(7.45)	(9.35)
	(a) Basic (in ₹)						
	(b) Diluted (in ₹)						
XV	Earnings per share after exceptional items (EPS)	*(2.32)	*(1.23)	*(4.48)	*(3.54)	*(7.45)	(9.35)
	(a) Basic (in ₹)						
	(b) Diluted (in ₹)						
	* Not annualised						





Statement of Unaudited Standalone Assets and Liabilities as at 30 September, 2019

Particulars	(₹ in crore)	
	As at 30 September, 2019 (Unaudited)	As at 31 March, 2019 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	789.42	842.38
(b) Investments in subsidiaries and associates	3,017.37	3,017.37
(c) Financial assets	-	19.50
- Other financial assets		7.45
(d) Other non-current assets	12.27	
Total non-current assets	3,819.06	3,886.70
Current assets		
(a) Inventories	10.52	11.58
(b) Investments	0.33	0.01
(c) Financial assets	41.99	39.92
i. Trade and other receivables	11.09	7.25
ii. Cash and cash equivalents	396.00	19.57
iii. Loans	446.00	446.30
iv. Other financial assets	97.03	85.27
(d) Other current assets		
Total current assets	1,002.96	609.90
TOTAL ASSETS	4,822.02	4,496.60
EQUITY AND LIABILITIES		
Equity		
Equity share capital	206.98	206.98
Other Equity		
Reserves and surplus	(79.49)	(8.26)
Total equity	127.49	198.72
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	2,220.99	2,261.63
Total non-current liabilities	2,220.99	2,261.63
Current liabilities		
(a) Financial liabilities		
i. Trade payables	0.14	0.00
- Total outstanding dues to micro and small enterprises	132.66	133.46
- Total outstanding dues to creditors other than micro and small enterprises	1,987.04	1,537.73
ii. Other financial liabilities	3.46	5.19
(b) Employee benefit obligations	350.24	359.87
(c) Other current liabilities		
Total current liabilities	2,473.54	2,036.25
Total liabilities	4,694.53	4,297.88
TOTAL EQUITY AND LIABILITIES	4,822.02	4,496.60



ESSAR SHIPPING LIMITED		
Standalone Statement of Cash Flows for the period ended 30 September, 2019		
Particulars	Period ended 30 September, 2019 ₹ in crore (Unaudited)	Period ended 30 September, 2018 ₹ in crore (Unreviewed)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(72.70)	(153.15)
Adjustments for :		
Depreciation	54.96	52.98
Finance costs	97.76	97.13
Interest income	(0.20)	(0.22)
Unrealised foreign exchange gain	9.24	64.27
Operating profit before working capital changes	89.06	61.00
Changes in working capital:		
(Increase) / Decrease in inventories	1.06	2.94
(Increase) / Decrease in trade receivables, loans and advances and other assets	(9.10)	(9.15)
Increase / (Decrease) in trade payables, other liabilities and short term provisions	(9.02)	(4.96)
Cash generated from operations	72.01	49.83
Income taxes refunded / (paid), net	(5.42)	(5.43)
Net cash generated from operating activities	66.59	44.40
B CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment	(2.00)	(22.72)
Proceeds from sale of property, plant and equipment	-	1.29
Investment in Mutual fund	(0.32)	-
Advance received / (refunded) against asset sale	-	65.38
Security deposit received	-	(68.77)
Security deposit refunded	-	(5.34)
Changes in Bank deposits	22.58	(22.55)
Interest received	0.20	0.22
Net cash (used in) / generated from investing activities	20.46	(52.48)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	-	23.09
Repayment of intercorporate deposits	(14.41)	-
Repayment of long-term loans	(72.26)	-
Finance costs paid	6.54	(22.84)
Net cash used in financing activities	(80.13)	0.25
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	6.92	(7.83)
Cash and cash equivalents at the beginning of the year	4.15	9.39
Cash and cash equivalents at the end of the year (refer note 4(d))	11.07	1.56
Note:		
Reconciliation between cash and cash equivalents and cash and bank balances.		
Particulars	As at 30 September, 2019	As at 30 September, 2018
Cash and cash equivalents as per cash flow statement	11.07	1.56
Add: Margin money deposits not considered as cash and cash equivalents as per Ind AS-7	0.02	22.55
Cash and bank balances (Restricted and Unrestricted)	11.09	24.11



- 1 The above Standalone Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 13 November, 2019. The Statutory Auditors have carried out a Limited Review of the above results. The Standalone Unaudited Statement of Cash Flows for half year ended 30 September, 2018 has not been reviewed by the Statutory Auditors.
- 2 The Company has only one reportable business segment of Fleet Operating and Chartering.
- 3 As on 30 September, 2019, the Company's current liabilities exceed its current assets. The 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. The management is hopeful for arriving at a mutually agreed settlement. Based on the business prospects, the Company would begin making profits in the near future. In view of these, the 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.
- 4 During the year 2017-18, the Company had recognized income from an Arbitration Award along with interest accrued thereon amounting to ₹ 369.81 crore. The dispute in this regard has been adjudged in favour of the Company by the Arbitrator. 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 interest on the awarded amount will be considered on final adjudication of the case. The Statutory Auditors have drawn attention to this note in their Limited Review Report without qualifying this aspect.
- 5 Two banks invoked Standby Letter of Credits (SBLCs) for USD 52 million issued on behalf of the Company to secure the loan availed by subsidiary. The same has been recognized in financial statements and shown as recoverable (along with interest thereon) from the said subsidiary. The Company is taking up matter with respective banks to convert this into a term loan.
- 6 Three banks have moved before Debts Recovery Tribunal (DRT), Delhi and one bank has moved before National Company Law Tribunal (NCLT), Ahmedabad for enforcement of Guarantee given by the Company on behalf of its subsidiary company. The bank has also filed similar application against the subsidiary company. Matter is pending for adjudication.
- 7 Loan from a public financial institution along with interest accrued thereon amounting to ₹ 1,282.55 crore classified as Current Liability is expected to be settled.
- 8 One of an overseas subsidiary company, having ceased operations is in the process of voluntary liquidation. Provision for impairment of investment by the company had already been provided for in earlier years.
- 9 The figures of the previous period(s) / year have been regrouped / reclassified wherever necessary.

Place: Mumbai
Date: 13 November, 2019



For and on behalf of the Board

 Capt. Rahul Bhargava
 Director



Independent Auditor's Review Report on Consolidated 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 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** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit/(loss) after tax and total comprehensive income/loss of its associates for the quarter and half year ended 30 September 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Obligations"). Attention is drawn to the fact that the consolidated figures for the half year ended 30 September 2018, as reported in these financial results and cash flow statement have been approved by the Parent's Board of Directors but have not been subjected to review since the requirement of submission of quarterly consolidated financial results and half yearly cash flow statement has become mandatory from 1 April 2019.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, which 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, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review of such consolidated financial statements.
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. 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 the 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 Listing Obligations to the extent applicable.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above based on the consideration of review reports of the subsidiaries' auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying



Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Obligations including the manner in which it is disclosed, or that it contains any material misstatement.

5. Material Uncertainty Related to Going Concern

We draw attention to Note 4 of the consolidated financial results that the Group's current liabilities exceed its current assets by Rs.2,956.31 crore as on 30 September 2019. Also, the Group has incurred continuous losses. However, as informed to us, the management is in the process of rescheduling its ongoing repayment schedules for its overdue borrowings on the basis of future visible cash flows and is negotiating a settlement with lenders. Further, the management has also represented that based on the business prospects, the Group would begin making profits in the near future. Based on this, the financial results have been prepared by the management on going concern basis.

6. Emphasis of Matter

- a. We draw attention to Note 5 of the consolidated financial results wherein the Parent had recognized revenue in the financial year 2017-18 amounting to Rs.369.81 crore (including accrued interest upto March 31, 2018) based on compensation granted to the Parent by arbitration proceedings for breach of contract terms by a charterer and the same remains outstanding as on 30 September 2019. The Parent is confident of full recovery of its claims. However pending conclusion of the same, no further interest is accrued on the income.
- b. We also draw attention to Note 6 of the consolidated financial results which states that the Company had issued standby letter of credits (SBLCs) with two banks for 52 million USD to secure a loan availed by a subsidiary, which were invoked during the quarter. The Group is negotiating with the banks to change the terms and convert the liability into a term loan.
- c. We also draw attention to Note 7 of the consolidated financial results wherein it is stated that one of the group companies has passed a board resolution for initiation of voluntary winding up process.
- d. In case of certain subsidiaries, the respective auditors have pointed out that the concerned financial statements have been prepared on going concern basis, in view of the representation by the management that it is confident of rolling over its short term borrowings to address cash flow mismatches.

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



7. Other Matters

- a. We did not review the financial results of one subsidiary, whose financial results reflect total revenue of Rs.37.24 crore and total net loss (after tax) of Rs. 8.22 crore for the quarter ended 30 September 2019, as considered in the consolidated financial results. These financial results and other financial information have been reviewed by other auditor whose report is furnished to us by the Management and our conclusion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor.
- b. The statement also includes unaudited interim financial statements in respect of two step down subsidiaries whose interim financial statement reflect total revenue of Rs. 0.11 crore and total net loss of Rs.5.07 crore and one associate which is as certified by its management, whose financial statement reflect total revenue of Rs. 430.37 crore and total net loss of Rs. 21.65 crore for the half ended 30 September 2019 and two associates which has not been subjected to review.

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

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W / W-100036



Manish Sampat

Partner

Membership No.101684

UDIN: 19101684AAAAD2370



Mumbai

Date: 13 November 2019

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

List of Subsidiaries/step down subsidiaries

1. Essar Oilfield Services Limited(Mauritius)
2. OGD Services Limited (formerly known as Essar Oilfield Services India Limited)
3. Energy Transportation International Limited
4. Energy II Limited
5. Essar Shipping DMCC
6. Essar Oilfields Middle East DMCC
7. Starbit Oilfields Services India Limited

List of Associates

1. Varada Drilling One Pte Limited
2. Varada Drilling Two Pte Limited
3. Arkay Logistics Limited



ESSAR SHIPPING LIMITED

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 esl.secretarial@essarshipping.co.in, website: www.essar.com, CIN:L1200GJ2010PLC060285
 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, 2019

₹ in crore

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unreviewed)	30.09.2019 (Unaudited)	30.09.2018 (Unreviewed)	31.03.2019 (Audited)
1	a) Income from operations	298.05	271.76	243.09	569.81	489.00	937.10
	Fleet operating and chartering	84.74	69.94	73.18	154.68	172.45	361.51
	Rig operating and chartering	3.20	3.12	2.60	6.32	5.79	10.57
	Other operating income	50.91	5.40	11.72	56.31	22.88	57.30
	Other income	436.90	350.22	330.59	787.12	690.12	1,366.48
2	Expenses	288.08	209.55	187.00	477.63	398.93	782.71
	Operating expenses	28.83	29.12	31.49	57.95	65.94	125.59
	Employee benefits expenses	17.64	5.82	34.61	23.46	87.43	69.11
	Other expenses	105.61	88.23	91.82	193.84	185.37	395.74
	Finance costs	42.70	42.90	72.83	85.60	142.16	282.49
	Depreciation	462.86	375.62	417.75	838.48	879.83	1,655.64
	Total expenses	(25.96)	(25.40)	(87.16)	(51.36)	(189.71)	(289.16)
3	Loss for the period / year before exceptional items, tax and share of profit of associate	-	-	(0.03)	-	(0.03)	(3,486.97)
4	Exceptional items	-	-	-	-	-	-
	Impairment of property, plant & equipment, goodwill and receivables	(25.96)	(25.40)	(87.19)	(51.36)	(189.74)	(3,776.13)
5	Loss for the period / year after exceptional items and before tax expenses	(0.30)	(0.30)	(0.40)	(0.60)	(0.95)	(1.45)
6	Tax expenses	(26.26)	(25.70)	(87.59)	(51.96)	(190.69)	(3,777.58)
7	Loss for the period / year after tax before share of profit of associate	-	-	-	-	-	-
8	Share of profit / (loss) of associate	(26.26)	(25.70)	(87.59)	(51.96)	(190.69)	(3,777.58)
9	Loss for the period / year after share of profit / (loss) of associate	(26.26)	(25.70)	(87.59)	(51.96)	(190.69)	(3,777.58)
	Attributable to:						
	-Shareholders of the Parent	(27.57)	(26.97)	(87.68)	(54.55)	(191.90)	(3,781.52)
	-Non-controlling interests	1.31	1.27	0.09	2.59	1.18	3.93
10	Other comprehensive income net of tax	1.71	0.40	0.10	2.11	0.50	1.48
11	Total comprehensive loss net of tax	(24.55)	(25.30)	(87.49)	(49.85)	(190.19)	(3,776.10)
	Attributable to:						
	-Shareholders of the Parent	(25.86)	(26.58)	(87.58)	(52.44)	(191.37)	(3,780.04)
	-Non-controlling interests	1.31	1.28	0.09	2.59	1.18	3.93
12	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98	206.98	206.98
13	Total Reserves	-	-	-	-	-	(2,116.51)
14	Earnings per share before exceptional items (EPS)						
	(a) Basic (in ₹)	*(1.27)	*(1.24)	*(4.23)	*(2.51)	*(9.21)	(14.04)
	(b) Diluted (in ₹)	*(1.27)	*(1.24)	*(4.23)	*(2.51)	*(9.21)	(14.04)
15	Earnings per share after exceptional items (EPS)						
	(a) Basic (in ₹)	*(1.27)	*(1.24)	*(4.23)	*(2.51)	*(9.21)	(182.51)
	(b) Diluted (in ₹)	*(1.27)	*(1.24)	*(4.23)	*(2.51)	*(9.21)	(182.51)

* Not annualised



Statement of consolidated assets and liabilities as at 30 September, 2019

Particulars	As at 30 September, 2019 ₹ in crore (Unaudited)	As at 31 March, 2019 ₹ in crore (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	1,732.59	1,812.42
Capital work-in-progress	10.80	10.80
Goodwill on consolidation	1,755.89	1,336.31
Investments in associates	35.77	41.98
Financial assets		
i. Loans	0.49	19.50
- Other financial assets	12.27	7.45
Other non-current assets		
Total non-current assets	3,547.81	3,228.46
Current assets		
Investments	0.33	0.01
Inventories	28.56	30.01
Financial assets		
i. Trade and other receivables	166.21	155.63
ii. Cash and cash equivalents	37.02	24.64
iii. Loans	387.71	380.35
iv. Other financial assets	454.18	562.87
Other current assets	236.19	180.62
Total current assets	1,310.20	1,334.13
Total assets	4,858.01	4,562.59
EQUITY AND LIABILITIES		
Equity		
Equity share capital	206.98	206.98
Other equity		
Reserves and surplus	(1,866.66)	(2,116.51)
Non-controlling interests	262.64	261.80
Total equity	(1,397.04)	(1,647.73)
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Borrowings	1,988.54	1,904.19
Total non-current liabilities	1,988.54	1,904.19
Current liabilities		
Financial liabilities		
i. Borrowings	-	-
ii. Trade payables	15.19	17.95
- Total outstanding dues to micro and small enterprises	255.40	266.89
- Total outstanding dues to creditors other than micro and small enterprises	3,922.73	3,916.39
iii. Other financial liabilities	3.49	5.47
Employee benefit obligations	15.71	16.92
Current tax liabilities	53.99	82.51
Other current liabilities		
Total current liabilities	4,266.51	4,306.13
Total liabilities	6,255.05	6,210.32
Total equity and liabilities	4,858.01	4,562.59



NOTES:

- 1 The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 13 November, 2019. The Statutory Auditors have carried out a Limited Review of the above results. The figures for the quarter & half year ended 30 September 2018 has not been reviewed by the Statutory Auditor.
- 2 The consolidated results include results of the Company, four overseas subsidiaries, two step-down subsidiaries and associate companies. The statement also includes unaudited figures in respect of one step-down subsidiaries and one associate which are as certified by their management and two associates are under National 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).
- 3 As on 30 September, 2019, the Group's current liabilities exceed its current assets. The 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. The management is hopeful for arriving at a mutually agreed settlement. Based on the business prospects, the Group would begin making profits in the near future. In view of these, the 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.
- 4 During the year 2017-18, the Company had recognized income from an Arbitration Award along with interest accrued thereon amounting to ₹ 369.81 crore. The dispute in this regard has been adjudged in favour of the Company by the Arbitrator. 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 interest on the awarded amount will be considered on final adjudication of the case. The Statutory Auditors have drawn attention to this note in their Limited Review Report without qualifying this aspect.
- 5 Two banks invoked Standby Letter of Credits (SBLCs) for USD 52 million issued on behalf of the Company to secure the loan availed by subsidiary. The same has been recognized in financial statements and shown as recoverable (along with interest thereon) from the said subsidiary. The Company is taking up matter with respective banks to convert this into a term loan.
- 6 One of an overseas subsidiary company, having ceased operations is in the process of voluntary liquidation.
- 7 Loan from a public financial institution along with interest accrued thereon amounting to ₹ 1,282.55 crore classified as Current Liability is expected to be settled.
- 8 Share of profit of one of the associate company has been reinstated since 31 March 2019 as per the audited financial statements.
- 9 A group company has made a one time settlement (OTS) with a bank of ₹ 79.31 crore and has written back ₹ 44.01 crore and recognised as Other Income.
- 10 Three banks have moved before Debts Recovery Tribunal (DRT), Delhi and one bank has moved before National Company Law Tribunal (NCLT), Ahmedabad for enforcement of Guarantee given by the Company on behalf of its subsidiary company. The bank has also filed similar application against the subsidiary company. Matter is pending for adjudication.
- 12 The figures of the previous year have been regrouped / reclassified wherever necessary.

Place: Mumbai
Date: 13 November, 2019



For and on behalf of the Board


Capt. Rahul Bhargava
Director



ESSAR SHIPPING LIMITED

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Unaudited consolidated segment wise revenue, Results and Capital employed for the quarter and half year ended 30 September, 2019

₹ in crore

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2019 (Unaudited)	30.06.2019 (Unreviewed)	30.09.2018 (Unreviewed)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	
Segment Revenue						
Operating Income	301.53	275.13	251.55	576.66	527.01	979.76
Fleet operating and chartering	103.45	88.47	109.90	191.92	209.49	442.14
Rig operating and chartering	404.98	363.60	361.44	768.58	736.50	1,421.90
Total	(18.99)	(18.78)	(42.56)	(37.77)	(69.26)	(112.72)
Less: Inter segment revenue	385.99	344.82	318.88	730.81	667.24	1,309.18
Total income from operations	50.91	5.40	11.71	56.31	22.88	57.30
Other income unallocated	436.90	350.22	330.59	787.12	690.12	1,366.48
Total Income						
Segment Results						
Fleet operating and chartering	24.45	45.63	8.22	70.08	(3.87)	113.22
Rig operating and chartering	55.20	17.18	(3.60)	72.38	(0.51)	(6.64)
Total	79.65	62.81	4.62	142.46	(4.38)	106.58
Less: Unallocated interest and finance costs	(105.61)	(88.21)	(91.78)	(193.82)	(185.36)	(395.74)
Loss before tax	(25.96)	(25.40)	(87.16)	(51.36)	(189.74)	(289.16)
Exceptional items	-	-	(0.03)	-	(0.03)	(3,486.97)
Loss for the period / year after exceptional items	(25.96)	(25.40)	(87.19)	(51.36)	(189.77)	(3,776.13)
Less: Tax expense	(0.30)	(0.30)	(0.40)	(0.60)	(0.95)	(1.45)
Loss for the period / year before share of profit of associate	(26.26)	(25.70)	(87.59)	(51.96)	(190.72)	(3,777.58)
Share of profit / (loss) of associate	-	-	-	-	-	-
Loss for the period / year after share of profit / (Loss) of associate	(26.26)	(25.70)	(87.59)	(51.96)	(190.72)	(3,777.58)
Capital employed (segment assets-segment liabilities)						
Fleet operating and chartering	(681.48)	(666.86)	(446.28)	(681.48)	(446.28)	(686.60)
- Assets	1,072.40	1,053.64	1,559.12	1,072.40	1,559.12	1,076.69
- Liabilities	(1,753.88)	(1,720.50)	(2,005.40)	(1,753.88)	(2,005.40)	(1,763.29)
Oilfields services	1,309.13	1,046.38	3,506.36	1,309.13	3,506.36	772.45
- Assets	2,943.72	2,819.85	5,407.02	2,943.72	5,407.02	2,542.69
- Liabilities	(1,634.59)	(1,773.47)	(1,900.66)	(1,634.59)	(1,900.66)	(1,770.24)
Unallocated	(36.14)	24.06	698.37	(36.14)	698.37	170.61
- Assets	841.88	840.61	1,470.53	841.88	1,470.53	943.22
- Liabilities	(878.02)	(816.55)	(772.16)	(878.02)	(772.16)	(772.61)
Total	591.51	403.58	3,758.46	591.51	3,758.45	256.46



ESSAR SHIPPING LIMITED
Consolidated Statement of Cash Flows for the period ended 30 September, 2019

Particulars	Period ended 30 September, 2019 ₹ in crore (Unaudited)	Year ended 30 September, 2018 ₹ in crore (Unreviewed)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(51.36)	(189.77)
Adjustments for :		
Exceptional Items		
- Arbitration award	-	-
- Impairment of receivables	-	0.03
- Impairment of Asset held for sale	-	-
Depreciation	85.60	142.16
Finance costs	193.84	185.37
Interest income	(54.44)	(16.02)
Gain on foreclosure of finance leases	-	-
Gain on sale of investment in a subsidiary	-	-
(Gain) / loss on sale of other assets	-	-
Profit/ (loss) on assets sold / disposed off	-	-
Gain on buy-back of equity shares by a subsidiary	-	-
Unrealised foreign exchange gain	1.71	(4.86)
Operating profit before working capital changes	175.36	116.92
Changes in working capital:		
(Increase) / Decrease in inventories	1.45	(4.89)
(Increase) / Decrease in trade receivables, loans and advances and other assets	43.50	(71.68)
Increase / (Decrease) in trade payables, other liabilities and short term provisions	(16.26)	(8.72)
Cash generated from operations	204.06	31.63
Income taxes refunded / (paid), net	(11.61)	0.62
Net cash generated from operating activities	192.45	32.25
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment	(4.06)	-
Proceeds from sale of property, plant and equipment	-	65.38
Investment in Mutual fund	(0.32)	-
Advance received / (refunded) against asset sale	-	(68.77)
Security deposit received	-	-
Security deposit refunded	-	-
Changes in Bank deposits	17.50	-
Interest received	54.44	27.44
Net cash (used in) / generated from investing activities	67.55	22.70
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term loans	-	-
Proceeds from intercorporate deposits	-	63.06
Redemption of Preference share	-	49.56
Repayment of intercorporate deposits	-	-
Repayment of long-term loans	(157.38)	(77.43)
Repayment of short-term loans	-	26.83
Repayment of other deposits	-	(5.36)
Repayment of finance lease obligations	-	-
Finance costs paid	(88.42)	(133.30)
Net cash used in financing activities	(245.80)	(76.63)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	14.21	(21.68)
Unrealised foreign currency loss on cash and cash equivalents	-	17.77
Cash and cash equivalents at the beginning of the year	16.74	32.20
Cash and cash equivalents at the end of the year (refer note 4(d))	30.95	28.29
Note:		
Reconciliation between cash and cash equivalents and cash and bank balances.		
Particulars	As at 30 September, 2019	As at 30 September, 2018
Cash and cash equivalents as per cash flow statement	30.95	28.29
Add: margin money deposits not considered as cash and cash equivalents as per IND AS-7	6.07	24.56
Cash and bank balances (Restricted and Unrestricted)	37.02	52.85

