

Date: 12th November 2020

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

Essar Shipping Limited
Essar House
11 K. K. Marg
Mahalaxmi
Mumbai - 400 034
India.

Corporate Identity Number :
L61200GJ2010PLC060285

T +91 22 6660 1100
F +91 22 2354 4312
www.essar.com

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

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

Dear Sir/Madam,

Sub: Outcome of Board Meeting

As per the requirement of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Board of Directors of the Company at its meeting held on Thursday, 12th November, 2020 has, inter alia, approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2020. Accordingly, copy of Unaudited Financial Results (Standalone and Consolidated) along with Limited Review Report is enclosed herewith;

The meeting of Board of Directors of the Company commenced at 1:30 P.M. and concluded at 5.15 P.M.

Request you to kindly take the same on your records

Yours Faithfully,

For Essar Shipping Limited


Jyotsna Gupta
ACS-23899
Encl-As above



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 Standalone Financial Results for the quarter and half year ended 30 September, 2020

Sl.No.	Particulars	(₹ in crore)					
		Quarter ended			Half year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
I	Income from operations	64.15	46.04	147.00	110.19	281.07	538.47
II	Other income	0.06	0.12	1.71	0.18	8.69	12.53
III	Total income from operations (I+II)	64.21	46.16	148.71	110.37	289.76	551.00
IV	Expenses						
a)	Operating expenses	24.90	21.96	89.53	46.86	162.19	300.23
b)	Employee benefit expenses	13.49	13.05	13.76	26.54	27.29	55.40
c)	Finance costs	72.43	45.95	49.03	118.38	97.76	209.87
d)	Depreciation and amortisation expenses	27.70	27.83	27.69	55.53	54.96	110.35
e)	Other expenses	1.63	0.89	16.32	2.52	20.25	48.06
	Total expenses	140.15	109.68	196.33	249.83	382.45	723.91
V	Loss for the period / year before exceptional items and tax (III-IV)	(75.94)	(63.52)	(47.62)	(139.46)	(72.69)	(172.91)
VI	Exceptional items (refer note 4)						
	Income	0.79	-	-	0.79	-	-
	Expenses	-	-	-	-	-	(2,779.42)
VII	Loss for the period / year before tax and after exceptional items (V+VI)	(75.15)	(63.52)	(47.62)	(138.67)	(72.69)	(2,952.33)
VIII	Tax expenses	(0.20)	(0.21)	(0.30)	(0.41)	(0.60)	(1.11)
IX	Loss after tax (VII+VIII)	(75.35)	(63.73)	(47.92)	(139.08)	(73.29)	(2,953.44)
X	Other comprehensive income net of tax	0.09	(0.09)	1.67	0.00	2.07	2.91
XI	Total comprehensive loss net of tax (IX+X)	(75.26)	(63.82)	(46.25)	(139.08)	(71.22)	(2,950.53)
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	-	-	-	-	-	(2,955.90)
XIV	Earnings per share before exceptional items (EPS)						
	(a) Basic (in ₹)	*(3.68)	*(3.08)	*(2.32)	*(6.78)	*(3.54)	(8.41)
	(b) Diluted (in ₹)	*(3.68)	*(3.08)	*(2.32)	*(6.78)	*(3.54)	(8.41)
XV	Earnings per share after exceptional items (EPS)						
	(a) Basic (in ₹)	*(3.64)	*(3.08)	*(2.32)	*(6.72)	*(3.54)	(142.69)
	(b) Diluted (in ₹)	*(3.64)	*(3.08)	*(2.32)	*(6.72)	*(3.54)	(142.69)

* Not annualised



Statement of Standalone Assets and Liabilities as at 30 September, 2020

₹ In crore

Particulars	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	665.63	742.27
(b) Investments in subsidiaries and associates	252.66	252.66
(c) Other non-current assets	8.89	15.78
Total non-current assets	947.18	1,010.71
Current assets		
(a) Inventories	10.12	10.00
(b) Investments	2.36	-
(c) Financial assets		
i. Trade and other receivables	26.61	31.82
ii. Cash and cash equivalents	4.61	6.38
iii. Loans	0.41	0.41
iv. Other financial assets	443.61	444.22
(d) Other current assets	82.64	83.87
Total current assets	570.37	576.70
TOTAL ASSETS	1,517.55	1,587.41
EQUITY AND LIABILITIES		
Equity		
Equity share capital	206.98	206.98
Other Equity		
Reserves and surplus	(3,094.96)	(2,955.90)
Total equity	(2,887.99)	(2,748.92)
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	1,924.10	1,978.36
Total non-current liabilities	1,924.10	1,978.36
Current liabilities		
(a) Financial liabilities		
i. Trade payables		
- Total outstanding dues to micro and small enterprises	0.21	0.03
- Total outstanding dues to creditors other than micro and small enterprises	133.03	116.66
ii. Other financial liabilities	2,336.21	2,226.67
(b) Employee benefit obligations	2.44	2.39
(c) Other current liabilities	9.55	12.22
Total current liabilities	2,481.44	2,357.97
Total liabilities	4,405.54	4,336.33
TOTAL EQUITY AND LIABILITIES	1,517.55	1,587.41



ESSAR SHIPPING LIMITED		
Standalone Statement of Cash Flows for the period ended 30 September, 2020		
(₹ in crore)		
Particulars	Period ended	Period ended
	30 September, 2020	30 September, 2019
	Unaudited	Unaudited
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(138.67)	(72.70)
Adjustments for :		
Exceptional Items		
- Reversal of Provision for impairment of loans & advances receivable from subsidiary	(0.79)	-
Depreciation	55.53	54.96
Finance costs	118.38	97.76
Interest income	(0.00)	(0.20)
Unrealised foreign exchange gain	3.42	9.24
Operating profit before working capital changes	37.87	89.06
Changes in working capital:		
(Increase) / Decrease in inventories	(0.11)	1.06
(Increase) / Decrease in trade receivables, loans and advances and other assets	6.38	(9.10)
Increase / (Decrease) in trade payables, other liabilities and short term provisions	(0.32)	(9.02)
Cash generated from operations	43.82	72.01
Income taxes refunded / (paid), net	6.18	(5.42)
Net cash generated from operating activities	50.00	66.59
B CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment	(0.10)	(2.00)
Investment in Mutual fund	(2.20)	(0.32)
Changes in Bank deposits	-	22.58
Interest received	0.00	0.20
Net cash (used in) / generated from investing activities	(2.30)	20.46
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of intercorporate deposits	-	(14.41)
Repayment of long-term loans	(33.58)	(72.26)
Finance costs paid	(15.89)	6.54
Net cash used in financing activities	(49.47)	(80.13)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1.77)	6.92
Unrealised foreign currency loss on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	6.36	4.15
Cash and cash equivalents at the end of the year	4.59	11.07
Note:		
Reconciliation between cash and cash equivalents and cash and bank balances.		
Particulars	As at	As at
	30 September, 2020	30 September, 2019
Cash and cash-equivalents as per cash flow statement	4.59	11.07
Add: Margin money deposits not considered as cash and cash equivalents as per Ind AS-7	0.02	0.02
Cash and bank balances (Restricted and Unrestricted)	4.61	11.09



1 The above Standalone Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 12 November, 2020.

2 The Company has only one reportable business segment of Fleet Operating and Chartering.

3 COVID-19 impacted the entire economy and business operations. For Shipping, due to countrywide lockdown mainly in quarter one of FY 2020-21, it impacted port & cargo operations leading to delays in berthing of vessels, clearance of documents and movement of manpower and material resulting in demand reduction and utilisation of ships. There has been a considerable reduction in revenue of the Company, with easing of lockdown in quarter two of FY 2020-21 the impact of COVID-19 is mitigated. The Company evaluated the possible effects from the pandemic on its liquidity position, inventory and receivables and have concluded that no material adjustments required at this stage in the stand-alone Financial Results.

4 Exceptional Items comprise of the following:

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
Income						
Reversal of Provision for impairment of loans & advances receivable from subsidiary	0.79	-	-	0.79	-	-
Expense						
Provision for impairment as per Ind AS 36 in the fair value of the subsidiaries based on management assessment & valuation report	-	-	-	-	-	2,728.94
Provision for impairment as per Ind AS 36 in the fair value of the associate based on management assessment & valuation report	-	-	-	-	-	35.77
Provision for impairment of loans & advances receivable from subsidiary	-	-	-	-	-	14.71

5 As on 31 March, 2020, the Company's current liabilities exceeds its current assets. The management is taking appropriate steps to rectify this working capital deficit by negotiating with lenders to settle the loans through monetizing its fixed assets. The management is hopeful for arriving at a mutually agreed settlement. Based on the business prospects, the Company would begin making Operational profits in the future. In view of these, the financials have been prepared on a Going Concern basis. The Statutory Auditors have mentioned this fact in their report without qualifying this aspect.

6 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 report without qualifying this aspect.

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

Place : Mumbai
Date : 12 November, 2020



For and on behalf of the Board

Capt. Subimal Mahato
Director



Independent Auditor's Review Report on Unaudited Standalone Quarterly and year to date Financial 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 financial results of **Essar Shipping Limited** ("the Company") for quarter ended 30 September, 2020 and year to date 01 April, 2020 to 30 September, 2020 ("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 (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, 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.
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 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 Listing Regulation, 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. 5 of the standalone financial results that the Company's current liabilities exceed its current assets as on 30 September, 2020. Some of the lenders of the company have filed applications before the High Court / National Company Law Tribunals for recovery of overdue amounts and / or enforcement of guarantees. Also, the net worth of the company is substantially eroded and it is incurring continuous losses since last several quarters. These factors give rise to a material uncertainty related to Going Concern;

Further, as informed to us, the management is in the process of negotiating with the lenders to reschedule or settle overdue borrowings on the basis of future visible cash flows. The management has also represented that though the business has been impacted by COVID-19 (as detailed in Note No 3 of the standalone financial results), based on the future business prospects which they have evaluated, the Company expects to start making operational profits in the near future;

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

6. Emphasis of Matter

- i. We draw attention to our observations in paragraph 5 above whereby, inspite of several factors mentioned therein, the results are prepared on "going Concern" basis;
- ii. We draw attention to Note No. 6 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, 2020. The Company is confident of full recovery of its claims. However, pending conclusion of the same, no further interest is accrued on the income.

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


Manish Sampat

Partner

Membership No. 101684

UDIN: 20101684AAAAGB2322

Place: Mumbai

Date: 12 November, 2020



ESSAR SHIPPING LIMITED

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

Head Office: Essar House, 11, Keshavnagar Khadya Marg, Mahalaxmi, Mumbai 400 034

Statement of Unaudited Consolidated Financial Results for the quarter & half year ended 30 September, 2020

(₹ in crore)

Sl.No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	a) Income from operations						
	Fleet operating and chartering	120.14	78.36	296.05	196.50	569.81	1,037.89
	Rig operating and chartering	7.95	66.41	84.74	78.36	154.68	291.03
	Other operating income	3.99	3.43	3.20	7.42	6.32	15.24
	b) Other income	1.28	1.20	50.91	2.48	56.31	150.14
	Total income from operations	133.36	149.40	436.90	282.76	787.12	1,494.30
2	Expenses						
	a) Operating expenses	94.56	64.83	268.06	159.19	477.83	898.90
	b) Employee benefits expenses	17.92	23.24	28.83	41.16	57.95	111.56
	c) Finance costs	136.53	105.58	105.61	242.11	193.84	432.58
	d) Depreciation	43.15	43.64	42.70	86.79	85.60	172.25
	e) Other expenses	0.75	5.71	17.64	8.46	23.46	73.09
	Total expenses	292.91	242.80	462.86	535.71	838.48	1,688.38
3	Profit / (Loss) for the period / year before exceptional items, tax and share of profit of associate	(159.55)	(93.40)	(25.96)	(252.95)	(51.36)	(194.08)
4	Exceptional items (refer note 4)	1.01	(9.61)	-	(8.60)	-	(1,491.66)
5	Profit / (Loss) for the period / year after exceptional items and before tax	(158.54)	(103.01)	(25.96)	(261.55)	(51.36)	(1,685.74)
6	Tax expenses	(0.20)	(0.21)	(0.30)	(0.41)	(0.60)	(1.11)
7	Profit / (Loss) for the period / year after tax before share of profit of	(158.74)	(103.22)	(26.26)	(261.96)	(51.96)	(1,686.85)
8	Share of profit / (loss) of associate	-	-	-	-	-	-
9	Profit / (Loss) for the period / year after share of profit / (loss) of associate	(158.74)	(103.22)	(26.26)	(261.96)	(51.96)	(1,686.85)
	Attributable to:						
	-Shareholders of the Parent	(158.79)	(100.63)	(27.57)	(259.42)	(54.55)	(1,681.50)
	-Non-controlling interests	0.05	(2.59)	1.31	(2.54)	2.59	(5.35)
10	Other comprehensive income net of tax	(0.30)	(0.06)	1.71	(0.36)	2.11	2.84
11	Total comprehensive profit / (loss) net of tax	(159.04)	(103.28)	(24.55)	(262.32)	(49.85)	(1,684.01)
	Attributable to:						
	-Shareholders of the Parent	(159.09)	(100.89)	(25.86)	(259.78)	(52.44)	(1,678.66)
	-Non-controlling interests	0.05	(2.59)	1.31	(2.54)	2.59	(5.35)
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						(4,428.44)
14	Earnings per share before exceptional items (EPS)						
	(a) Basic (in ₹)	*(7.72)	*(4.52)	*(1.27)	*(12.24)	*(2.51)	(9.43)
	(b) Diluted (in ₹)	*(7.72)	*(4.52)	*(1.27)	*(12.24)	*(2.51)	(9.43)
15	Earnings per share after exceptional items (EPS)						
	(a) Basic (in ₹)	*(7.67)	*(4.99)	*(1.27)	*(12.66)	*(2.51)	(81.5)
	(b) Diluted (in ₹)	*(7.67)	*(4.99)	*(1.27)	*(12.66)	*(2.51)	(81.5)

* Not annualised



Statement of Consolidated Assets and Liabilities as at 30 September, 2020

(₹ in crore)

Particulars	As at 30 September, 2020 (Unaudited)	As at 31 March, 2020 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	914.20	1,002.81
(b) Capital work-in-progress	10.80	10.80
(c) Investments	0.00	0.00
(d) Financial assets		
- Other financial assets	0.49	0.49
(e) Other non-current assets	8.89	15.78
Total non-current assets	934.38	1,029.88
Current assets		
(a) Investments	2.36	-
(b) Inventories	25.50	21.65
(c) Financial assets		
i Trade and other receivables	46.09	71.99
ii Cash and cash equivalents	56.53	44.30
iii Loans	446.68	464.78
iv Other financial assets	499.38	497.42
(d) Other current assets	184.33	215.44
Total current assets	1,260.87	1,315.56
TOTAL ASSETS	2,195.25	2,345.44
EQUITY AND LIABILITIES		
Equity		
Equity share capital	206.98	206.98
Other Equity		
Reserves and surplus	(4,679.06)	(4,428.44)
Non-controlling interests	261.99	261.46
Total equity	(4,210.09)	(3,960.00)
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	1,945.38	1,974.95
Total non-current liabilities	1,945.38	1,974.95
Current liabilities		
(a) Financial liabilities		
i Trade payables	231.63	260.90
ii Other financial liabilities	4,178.69	4,013.37
(b) Employee benefit obligations	2.89	2.58
(c) Current tax liabilities	28.25	26.48
(d) Other current liabilities	18.50	27.18
Total current liabilities	4,459.96	4,330.49
Total liabilities	5,405.34	6,305.44
TOTAL EQUITY AND LIABILITIES	2,195.25	2,345.44



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.secretariat@essarshipping.co.in, website: www.essar.com, CIN: L61200GJ2010PLC060288

Head Office: Essar House, 11, Keshavnagar Khadya Marg, Mahalaxmi, Mumbai 400 034

Unaudited Consolidated Segment wise Revenue, Results and Capital employed for the quarter and half year ended 30 September, 2020

Particulars	₹ In crore					
	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
Segment Revenue						
Operating Income						
Fleet operating and chartering	124.17	80.39	301.53	204.56	576.66	1,058.35
Rig operating and chartering	18.07	87.48	103.45	105.55	191.92	367.57
Total	142.24	167.87	404.98	310.11	768.58	1,425.92
Less: Inter segment revenue	(10.17)	(19.67)	(18.99)	(29.84)	(37.77)	(81.76)
Total Income from operations	132.07	148.20	385.99	280.28	730.81	1,344.16
Other income unallocated	1.29	1.20	50.91	2.49	56.31	150.14
Total Income	133.36	149.40	436.90	282.76	787.12	1,494.30
Segment Results						
Fleet operating and chartering	2.41	(8.77)	24.45	(6.36)	70.08	84.12
Rig operating and chartering	(25.43)	20.95	55.20	(4.48)	72.38	154.34
Total	(23.02)	12.18	79.65	(10.85)	142.46	238.46
Less: Unallocated interest and finance costs	(136.53)	(105.58)	(105.61)	(242.11)	(193.82)	(432.54)
Profit / (Loss) before tax	(159.55)	(93.40)	(25.96)	(252.96)	(51.36)	(194.08)
Exceptional items	1.01	(9.61)	-	(8.59)	-	(1,491.86)
Profit / (Loss) for the period / year after exceptional items	(158.54)	(103.01)	(25.96)	(261.55)	(51.36)	(1,685.74)
Less: Tax expense	(0.20)	(0.21)	(0.30)	(0.41)	(0.80)	(1.11)
Profit / (Loss) for the period / year before share of profit of associate	(158.74)	(103.22)	(26.26)	(261.96)	(51.96)	(1,686.85)
Share of profit / (loss) of associate	-	-	-	-	-	-
Profit / (Loss) for the period / year after share of profit / (loss) of associate	(158.74)	(103.22)	(26.26)	(261.96)	(51.96)	(1,686.85)
Capital employed (segment assets-segment liabilities)						
Fleet operating and chartering	(827.50)	(792.18)	(681.48)	(827.50)	(681.48)	(773.46)
- Assets	831.01	841.17	1,072.40	831.01	1,072.40	900.09
- Liabilities	(1,658.51)	(1,633.35)	(1,753.88)	(1,658.51)	(1,753.88)	(1,673.55)
Oilfields services	(1,267.67)	(1,238.28)	1,309.13	(1,267.67)	1,309.13	(1,204.69)
- Assets	418.18	493.97	2,943.72	418.18	2,943.72	483.17
- Liabilities	(1,685.85)	(1,732.25)	(1,634.59)	(1,685.85)	(1,634.59)	(1,687.86)
Unallocated	(169.54)	(65.62)	(36.14)	(169.54)	(36.14)	(6.90)
- Assets	946.08	957.61	841.88	946.08	841.88	962.18
- Liabilities	(1,115.60)	(1,023.23)	(878.02)	(1,115.60)	(878.02)	(969.08)
Total	(2,284.71)	(2,096.08)	591.51	(2,264.71)	591.51	(1,985.05)

For and on behalf of the Board


 Capt. Sunil Mahato
 Director

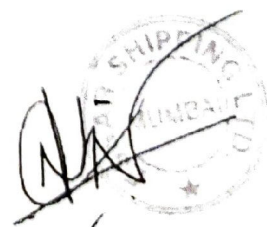
Mumbai
12 November, 2020



ESSAR SHIPPING LIMITED
Consolidated Statement of Cash Flows for the period ended 30 September, 2020

(₹ in crore)

Particulars	Period ended	Period ended
	30 September, 2020	30 September, 2019
	Unaudited	Unaudited
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	(261.55)	(51.36)
Adjustments for		
Exceptional Items		
- Provision / Impairment for doubtful receivables / advances	8.59	-
Depreciation	86.79	85.60
Finance costs	242.11	193.84
Interest income	(1.64)	(54.44)
Unrealised foreign exchange gain	(0.07)	1.71
Operating profit before working capital changes	74.23	175.36
Changes in working capital:		
(Increase) / Decrease in inventories	(3.85)	1.45
(Increase) / Decrease in trade receivables, loans and advances and other assets	65.94	43.50
Increase / (Decrease) in trade payables, other liabilities and short term provisions	(36.00)	(16.26)
Cash generated from operations	100.32	204.06
Income taxes refunded / (paid), net	15.93	(11.61)
Net cash generated from operating activities	116.25	192.45
B CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on property, plant and equipment	(0.23)	(4.06)
Proceeds from sale of Mutual fund	(2.20)	(0.32)
Proceeds/(Investment) in Bank deposits	1.26	17.50
Interest received	1.64	54.44
Net cash (used in) / generated from investing activities	0.47	67.55
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from intercorporate deposits	(9.97)	-
Repayment of long-term loans	(24.58)	(157.38)
Finance costs paid	(71.44)	(88.42)
Net cash used in financing activities	(105.99)	(245.80)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	10.73	14.21
Foreign currency translation reserve	11.57	-
Cash and cash equivalents at the beginning of the year	30.95	16.74
Cash and cash equivalents at the end of the year	53.25	30.95
Note:		
Reconciliation between cash and cash equivalents and cash and bank balances.		
Particulars	As at	As at
	30 September, 2020	30 September, 2019
Cash and cash equivalents as per cash flow statement	53.25	30.95
Add: margin money deposits not considered as cash and cash equivalents as per Ind AS-7	3.28	6.07
Cash and bank balances (Restricted and Unrestricted)	56.53	37.02



1 The above Consolidated Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 12 November 2020

2 The Consolidated Financial Results include results of the Company, three overseas subsidiaries, two step-down subsidiaries and an associate company. The Statement also includes unaudited figures in respect of one step-down subsidiary and one associate company which are as certified by their management and does not include two associate companies since they are under liquidation.

3 COVID-19 impacted the entire economy and business operations of the Group. For Shipping business, due to countrywide lockdown mainly in quarter one of FY 2020-21, it has impacted port & cargo operations leading to delays in berthing of vessels, clearance of documents and movement of manpower and material resulting in demand reduction and utilisation of ships. For Oilfield business, the impact has been significant. Efforts are being taken to mitigate the effect on the Rig Business. There has been a considerable reduction in revenue of the Group, with easing of lockdown in quarter two of FY 2020-21 the impact of COVID-19 is mitigated. The Group evaluated the possible effects from the pandemic on its liquidity position, inventories & receivables and have concluded that no material adjustments required at this stage in the Consolidated Financial Results.

4 Exceptional Items comprise of the following

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
Provision / Impairment for doubtful receivables / advances	(1.01)	9.81	-	8.60	-	71.33
Provision for impairment as per Ind AS 36 in the fair value of the an associate based on management assessment & valuation report	-	-	-	-	-	35.77
Impairment of fixed assets / capital work-in-progress	-	-	-	-	-	664.46
Impairment of goodwill	-	-	-	-	-	720.10
Total	(1.01)	9.81	-	8.60	-	1,491.66

5 The Results for the quarter ended 30 September, 2020 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).

6 As on 30 September 2020, the Group's current liabilities exceeds its current assets. The management is taking appropriate steps to rectify this working capital deficit by negotiating with lenders to settle the loans through monetizing its assets. The management is hopeful for arriving at a mutually agreed settlement. Based on the business prospects, the Group would begin making operational profits in the future. In view of these, the Financials have been prepared on a Going Concern basis. The Statutory Auditors have mentioned this fact in their report without qualifying this aspect.

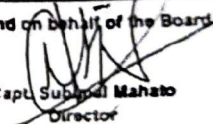
7 During the year 2017-18, the Holding Company had recognized income from an Arbitration Award along with interest accrued thereon amounting to ₹ 369.81 crore. The dispute in this regard has been adjudged in favour of the Company by the Arbitrator. On the direction of the Supreme Court, the contractor 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.

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

Mumbai
12 November, 2020



For and on behalf of the Board


Capt. Subimal Mahato
Director

Independent Auditor's Review Report on Unaudited Consolidated Quarterly and year to date Financial Results of the Holding 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** (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associate for quarter ended 30 September, 2020 and year to date from 01 April, 2020 to 30 September, 2020 ("the statement") attached herewith, being submitted by the Holding Company pursuant to the requirement 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 and associates 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, 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 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 Statements 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. Based on our review conducted and procedures performed stated in paragraph 3 above, and based on the consideration of review reports of Subsidiaries' auditors referred to in paragraph 6 and 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 Listing Regulation, 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. 6 of the consolidated financial results that the Group's current liabilities exceed its current assets as on 30 September, 2020. Some of the lenders of the Group have filed applications before the High Court/National Company Law Tribunals for recovery of overdue amounts and/or enforcement of guarantees. Also, the Group has been incurring continuous losses. These factors give rise to material uncertainty related to going concern;

Further, as informed to us, the management is in the process of negotiating with the lenders to reschedule or settle overdue borrowings on the basis of future visible cash flows. The management has also represented that though the business has been impacted by COVID-19 (as detailed in Note No 3 of the consolidated financial results), based on the future business prospects which they have evaluated, the Group expects to start making operational profits in the near future.

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



6. Emphasis of Matter

- a. We draw attention to our observations in paragraph 5 above whereby, inspite of several factors mentioned therein, the results are prepared on "going concern" basis;
- b. We draw attention to Note No. 7 of the Consolidated financial results wherein the Holding Company had recognized revenue in the financial year 2017-18 amounting to Rs.369.81 crore (including accrued interest up to 31 March 2018) based on compensation granted to the Holding Company by arbitration proceedings for breach of contract terms by a charterer and the same remains outstanding as on 30 September, 2020. The Holding Company is confident of full recovery of its claims. However pending conclusion of the same, no further interest is accrued for the same;
- c. 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. 0.03 crore and Rs. 0.07 crore, and total comprehensive income (comprising of net loss after tax and other comprehensive income) of Rs. 17.40 crore and Rs. 42.29 crore for the quarter and half year ended 30 September, 2020 respectively 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 Board of Directors. 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 report of such other auditor and the procedures performed by us as stated in paragraph 3 above.
- b. The statement also includes the unaudited interim Financial statements of one step-down subsidiary and one associate, whose interim financial information reflect Group's share of total revenue of Rs. Nil crore and Rs. Nil crore and Group's share of total net loss after tax of Rs. 0.25 crore and Rs. 0.31 crore for the quarter and half year ended 30 September, 2020.



These unaudited Interim Financial Statements and other unaudited financial information have been furnished to us by the Board of Directors and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate is based solely on such unaudited Interim Financial Statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these unaudited Interim Financial Statements and other unaudited financial information are not material to the Group.

- c. Two associate companies having an investment value (before impairment) of Rs. 62.54 crore have not been consolidated since they are under liquidation.

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

For CNK & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W / W-100036

Manish Sampat



Manish Sampat

Partner

Membership No. 101684

UDIN: 20101684AAAAGC5195

Mumbai

Date: 12 November, 2020

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)
3. Energy II Limited
4. Essar Shipping DMCC
5. Essar Oilfields Middle East DMCC (Liquidated on 28 September, 2020)
6. Starbit Oilfields Services India Limited

List of Associates

1. Varada Drilling One Pte Limited (under liquidation)
2. Varada Drilling Two Pte Limited (under liquidation)
3. Arkay Logistics Limited

