

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

Corporate Identity Number
L61200GJ2010PLC060285

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May 26, 2017

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
Bandra Kurla Complex
"Exchange Plaza"
Bandra (E)
Fax: +91 22 2659 8237/38
Mumbai – 400 051
NSE Code: ESSARSHPNG

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

Dear Sirs,

Sub : Audited Standalone and Consolidated Financial Results for the Quarter and Year ended March 31 2017.

Ref : Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As per the requirement of Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following;

- 1- Audited Standalone and Consolidated Financial Results of the Company
- 2- Auditors' Report for the said financials issued by M/s CNK & Associates, LLP, Chartered Accountants, Statutory Auditors of the Company.
- 3- Declaration for Unmodified Opinion on the Standalone Financial Results of the Company
- 4- Statement on Impact of Audit Qualifications for Consolidated Financial Results of the Company

This is for your information and records.

Thanking you,

Yours Faithfully
For **Essar Shipping Limited**


Awaneesh Srivastava
Company Secretary
May 26, 2017




Independent Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Essar Shipping Limited

1. We have audited the statement of Standalone financial results of Essar Shipping Limited ("the Company") for the quarter ended March 31, 2017 and the year to date results from April 1, 2016 to March 31, 2017, ("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. This statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared on the basis of the related standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind-AS) prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to Note 10 of the Statement regarding figures for the quarter ended March 31, 2017, being 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. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
4. In our opinion and to the best of our information and according to the explanations given to us, the above statement:
 - i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - ii. give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 as well as the year to date results for the period from April 1, 2016 to March 31, 2017

For CNK & Associates LLP
Chartered Accountants
FRN 101961W / W-100036


Himanshu Kishnadwala
Partner
Membership No.37391
Mumbai



Date: 26th May, 2017

ESSAR SHIPPING LIMITED

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

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

Statement of Standalone Financial Results for the quarter and year ended 31st March, 2017

		₹ in crore				
Sl. No	Particulars	Quarter ended			Year ended	
		31.03.2017 (Refer Note 10)	31.12.2016 (Unaudited)	31.03.2016 (Refer Note 10)	31.03.2017 (Audited)	31.03.2016 (Audited)
1	a) Income from operations					
	Fleet operating and chartering	175.43	148.54	146.90	657.74	728.70
	b) Other operating income	2.87	1.16	45.74	6.33	60.17
	c) Other gains/ (losses)	128.19	4.74	16.07	147.93	36.62
	Total income from operations	306.49	154.44	208.71	812.00	825.49
2	Expenses					
	a) Operating expenses	86.44	82.93	57.82	322.64	402.84
	b) Employee benefits expenses	25.31	25.94	27.57	103.29	105.76
	c) Other expenses	(1.95)	0.11	31.60	12.93	14.85
	d) Finance costs	83.69	93.95	88.67	352.63	342.65
	e) Depreciation	35.86	34.37	37.91	137.14	153.69
	Total expenses	229.35	237.30	243.57	928.63	1,019.80
3	Profit (loss) before tax	77.13	(82.86)	(34.86)	(116.63)	(194.31)
4	Tax expenses	(0.50)	(0.70)	(0.76)	(2.65)	(3.39)
5	Profit (loss) after tax	76.63	(83.56)	(35.62)	(119.28)	(197.70)
6	Other comprehensive income/ (loss) net of tax	(1.36)	0.59	(1.83)	(0.38)	(8.54)
7	Total comprehensive profit /(loss) net of tax	75.27	(82.97)	(37.45)	(119.66)	(206.24)
8	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98	206.98
9	Reserves				1,553.12	1,659.12
10	Earnings per share (EPS) (not annualised)					
	(a) Basic (in ₹)	3.64	(4.01)	(1.81)	(5.78)	(9.96)
	(b) Diluted (in ₹)	3.64	(4.01)	(1.81)	(5.78)	(9.96)



1 Statement of Standalone Assets and Liabilities as at 31st March, 2017

Particulars	As at 31st March 2017 ₹ in crore	As at 31st March 2016 ₹ in crore	As at 1st April 2015 ₹ in crore
ASSETS			
Non-current assets			
Property, plant and equipment	1,175.91	1,294.72	1,500.43
Investments in subsidiaries	3,649.68	3,289.64	2,511.83
Financial assets			
i. Loans	-	-	418.00
ii. Other financial assets	9.34	20.11	25.76
Other non-current assets	8.92	18.55	6.62
Total non-current assets	4,843.84	4,623.03	4,462.64
Current assets			
Inventories	12.49	17.42	14.18
Investments in subsidiaries	759.00	1,164.64	1,099.03
Financial assets			
i. Trade and other receivables	275.90	127.74	117.75
ii. Cash and cash equivalents	28.77	22.64	24.40
iii. Loans	25.68	32.17	369.60
iv. Other financial assets	46.91	14.29	8.80
Other current assets	342.26	351.33	49.27
	1,491.01	1,730.22	1,683.03
Assets classified as held for sale	-	84.93	-
Total current assets	1,491.01	1,815.15	1,683.03
Total assets	6,334.85	6,438.18	6,145.67
EQUITY AND LIABILITIES			
Equity			
Equity share capital	206.98	206.98	205.23
Other equity			
Equity component of foreign currency convertible bonds	27.70	96.37	152.91
Reserves and surplus	1,525.42	1,562.75	1,727.22
Total equity	1,760.10	1,866.10	2,085.36
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	906.58	2,350.64	1,402.44
ii. Other financial liabilities	-	-	44.49
Derivative liability	-	22.11	12.88
Total non-current liabilities	906.58	2,372.75	1,459.81
Current liabilities			
Financial liabilities			
i. Borrowings	439.76	464.84	175.68
ii. Trade payables	196.90	272.19	241.73
iii. Other financial liabilities	2,955.49	1,304.21	2,108.16
Employee benefit obligations	5.66	5.16	5.52
Other current liabilities	70.37	152.93	69.41
Total current liabilities	3,668.17	2,199.33	2,600.50
Total liabilities	4,574.75	4,572.08	4,060.31
Total equity and liabilities	6,334.85	6,438.18	6,145.67



- 2 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 26th May, 2017
- 3 The Company has only reportable business segment of fleet operating and chartering.
- 4 The Company adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles stated there in, prescribed under Sec. 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India . Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS.
- 5 Reconciliations between standalone equity and financial results, as previously reported (referred to as 'Previous GAAP') and Ind AS for quarters/year presented are as under:

EQUITY RECONCILIATION

Particulars	As at 31st March 2016 ₹ in crore	As at 1st April 2015 ₹ in crore
Equity under previous GAAP	4,623.90	4,805.24
Impairment of investment in Essar Oilfields Services Limited	(2,750.00)	(2,750.00)
Write-off of unamortised operating lease rentals	(122.79)	(122.79)
Equity component of foreign currency convertible bonds	96.37	152.91
Foreign currency monetary items translation differences	11.69	-
Dry docking costs amortised over 30 months under Ind AS	6.93	-
Equity under Ind AS	1,866.10	2,085.36

TOTAL COMPREHENSIVE INCOME RECONCILIATION

Particulars	For the quarter ended 31st March 2016 ₹ in crore	For the year ended 31st March 2016 ₹ in crore
Net Loss under previous GAAP	(38.50)	(113.62)
Unwinding of interest on foreign currency convertible bonds	(15.57)	(62.28)
Foreign currency monetary items translation differences	10.62	(45.50)
Income from Financial Guarantee Obligations	4.19	16.77
dry docking costs amortised over 30 months under Ind AS	3.64	6.93
Net Loss for the period under Ind AS	(35.62)	(197.70)

- 6 During the quarter ended 31st March 2017, the Company has entered into a sale and leaseback arrangement with respect to a dry bulk carrier to its wholly owned subsidiary Essar Shipping DMCC, UAE and the resultant profit of ₹ 2.48 crores has been amortised over the lease period.
- 7 During the quarter ended 31st March 2017, the Company has sold 51% stake in Arkay Logistics Limited (ALL). (ALL was 100% owned till the previous quarter). Consequently, ALL ceased to be a subsidiary of the Company and has become an associate.
- 8 Subsequent to 31st March 2017, (a) the Company has acquired a Panamax dry bulk carrier (74,005 DWT) and (b) entered into a Memorandum of Agreement for sale of a capsized dry bulk carrier (152,065 DWT).
- 9 The results for the year ended March 31, 2017 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).
- 10 The figures for the quarter ended 31st March, 2017 and quarter ended 31st March, 2016 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

For and on behalf of the Board




Ranjit Singh
Executive Director & CEO

Place: Mumbai
Date: 26th May, 2017



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May 26, 2017

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NSE Code: ESSARSHPNG

Dear Sirs,

Sub : Declaration in respect of unmodified opinion on Audited Financial Results for Year ended March 31 2017.

Ref : Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 , we hereby declare and confirm that the Statutory Auditors of the Company, M/s CNK & Associates, LLP, Chartered Accountants, have issued unmodified Audit Report on Standalone Financial Results of the Company for the Financial Year ended March 31, 2017.

Please take this information on your record.

Thanking You,

Yours faithfully,

For Essar Shipping Limited


Awaneesh Srivastava
Company Secretary



Independent Auditor's Report on Quarterly and Annual Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Essar Shipping Limited

1. We have audited the statement of consolidated financial results of **Essar Shipping Limited** ("the Company") for the quarter ended March 31, 2017 and the consolidated year to date results from April 1, 2016 to March 31, 2017, ("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. This statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind-AS) prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.
2. We conducted our audit in accordance with the auditing standards generally accepted in india. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. **Basis for Qualified Opinion**

We draw attention to the management's ongoing assessment of possible impairment of certain Rigs of the Oilfield Services business having carrying amounts of Rs. 114.99 crores (including Capital work-in-progress of Rs. 79.16 crores) as at March 31, 2017 as per the requirements of Indian Accounting Standards (Ind-AS) 36 Impairment of Assets as notified pursuant to Section 133 of the Companies Act, 2013 read with relevant rules issued there under. We have been informed that the management of the company has not concluded on the said assessment, accordingly, we are unable to comment on the provision for impairment if any which may be required in respect of the carrying amount of the aforesaid rigs.



4. Qualified Opinion

Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the Group as at 31st March, 2017.

5. Emphasis of matter

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 convincing the respective lenders for reschedulement of its borrowings and to roll over its short term borrowings outside India against facilities sanctioned by Indian Lenders to address cash flow mismatches.

6. Other Matters

We did not audit the financial statements of 1 subsidiary included in the statement, whose financial statements reflect total assets of Rs. 2,934.91 crores as at March 31, 2017 and total revenue of Rs. 39.55 crores for the year ended March 31, 2017. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated results included in the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor.

The Statement includes unaudited figures in respect of 2 associates which are as approved by their management, whose financial statements reflect total assets of Rs. 3,312.47 crores as on March 31, 2017 and total revenue of Rs. Nil for the year ended March 31, 2017.

7. Attention is invited to Note 9 of the Statement regarding figures for the quarter ended March 31, 2017, being 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. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
8. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter discussed in para 4 above, the statement:
 - i. includes the quarterly and year to date financial results of the entities as annexed to this report;



- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- iii. gives a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 as well as the year to date results for the period from April 1, 2016 to March 31, 2017.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration Number: 101961W /W-100036



Himanshu Kishnadwala

Partner

Membership No. 37391

Place: Mumbai

Date: 26th May, 2017



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

List of Subsidiaries consolidated

1. Arkay Logistics Limited (From 1st April, 2016 to 10th March 2017)
2. Essar Oilfield Services Limited (Mauritius)
3. Essar Oilfield Services India Limited (Indirect Subsidiary)
4. Energy Transportation International Limited
5. Energy II Limited
6. Essar Shipping DMCC
7. Essar Oilfields Middle East DMCC
8. Cosmic Drilling Services Limited

List of Associates Consolidated

1. Varada Drilling One Pte Limited
2. Varada Drilling Two Pte Limited
3. Arkay Logistics Limited (from 11th March 2017 to 31st March 2017)



ESSAR SHIPPING LIMITED

Regd. Office: EBTSL Premises, ER-2 Building (Admin Building) Salaya, 44 KM, P.O. Box No. 7 Taluka Khambhalia, Devbhumi Dwarka Gujarat –

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

Statement of Consolidated Financial Results for the quarter and year ended 31st March, 2017

		₹ in crore				
Sl.No.	Particulars	Quarter ended			Year ended	
		31.03.2017 (Refer Note 9)	31.12.2016 (Unaudited)	31.03.2016 (Refer Note 9)	31.03.2017 (Audited)	31.03.2016 (Audited)
1	a) Income from operations					
	Fleet operating and chartering	312.58	229.10	143.71	932.93	752.35
	Logistics	219.82	338.67	274.24	1,160.73	858.17
	Rig operating and chartering	20.55	33.44	25.93	94.14	103.48
	b) Other operating income	1.86	2.03	1.74	6.18	5.63
	Other income	20.00	10.13	17.88	100.77	101.78
	c) Other gains/ (losses)	(106.94)	60.36	15.15	(169.37)	96.99
	Total income from operations	467.86	673.72	478.65	2,125.38	1,918.40
2	Expenses					
	a) Operating expenses	402.27	422.78	261.66	1,556.40	1,218.93
	b) Employee benefits expenses	56.01	60.88	36.22	212.66	136.70
	c) Other expenses	13.53	96.54	58.46	45.67	85.43
	d) Finance costs	116.68	79.01	146.99	466.98	541.60
	e) Depreciation	55.46	83.77	116.48	390.50	463.94
	Total expenses	643.95	742.98	619.81	2,672.21	2,446.62
3	Loss before tax	(176.09)	(69.26)	(141.16)	(546.84)	(528.22)
4	Tax expenses	(1.82)	(18.96)	(6.13)	(37.85)	(21.94)
5	Loss after tax before share of profit of associates	(177.91)	(88.22)	(147.29)	(584.69)	(550.17)
6	Share of profit of associate	1.24	-	-	1.24	-
7	Loss after tax	(176.67)	(88.22)	(147.29)	(583.45)	(550.17)
8	Other comprehensive income/ (loss) net of tax	(1.36)	0.59	(1.83)	(0.38)	(8.54)
9	Total comprehensive loss net of tax	(178.03)	(87.63)	(149.12)	(583.83)	(558.71)
10	Paid-up equity share capital (face value of ₹10/- each)	206.98	206.98	206.98	206.98	206.98
11	Total Reserves				2,427.89	3,125.61
12	Earnings per share (EPS) (not annualised)					
	(a) Basic (in ₹)	(8.60)	(4.23)	(7.20)	(28.21)	(26.99)
	(b) Diluted (in ₹)	(8.60)	(4.23)	(7.20)	(28.21)	(26.99)



NOTES:

1 Statement of Consolidated Assets and Liabilities as at 31st March, 2017

Particulars	As at 31st March, 2017 ₹ in crore	As at 31st March, 2016 ₹ in crore	As at 1st April, 2015 ₹ in crore
ASSETS			
Non-current assets			
Property, plant and equipment	3,226.28	3,698.06	4,088.00
Capital work-in-progress	136.51	79.04	78.37
Goodwill on consolidation	2,609.04	2,750.87	2,408.86
Investments in associates	37.01	-	-
Financial assets			
i. Loans			
ii. Other financial assets	18.22	25.30	74.97
Other non-current assets	116.25	138.50	125.59
Total non-current assets	6,143.32	6,691.77	6,775.79
Current assets			
Inventories	74.97	87.24	77.93
Financial assets			
i. Trade and other receivables	119.69	335.24	340.63
ii. Cash and cash equivalents	39.85	35.00	43.62
iii. Loans	987.26	1,051.05	955.54
iv. Other financial assets	2,043.78	1,783.08	1,662.03
Other current assets	87.29	94.74	87.21
	3,352.86	3,386.35	3,166.97
Assets classified as held for sale	-	84.93	-
Total current assets	3,352.86	3,471.28	3,166.97
Total assets	9,496.17	10,163.05	9,942.75
EQUITY AND LIABILITIES			
Equity			
Equity share capital	206.98	206.98	205.23
Other equity			
Equity component of foreign currency convertible bonds	27.70	96.37	152.91
Reserves and surplus	2,400.20	3,029.24	3,172.56
Total equity	2,634.87	3,332.59	3,530.70
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	793.66	3,097.54	2,275.62
ii. Other financial liabilities	-	6.04	50.64
Derivative liability	-	15.49	17.40
Other non-current liabilities	1.88	30.57	26.80
Total non-current liabilities	795.54	3,149.64	2,370.46
Current liabilities			
Financial liabilities			
i. Borrowings	1,178.67	511.41	241.58
ii. Trade payables	414.30	733.53	763.80
iii. Other financial liabilities	4,313.87	2,148.83	2,846.35
Employee benefit obligations	6.12	5.97	7.26
Current tax liabilities	22.24	25.72	33.34
Other current liabilities	130.54	255.37	149.27
Total current liabilities	6,065.75	3,680.81	4,041.59
Total liabilities	6,861.29	6,830.45	6,412.05
Total equity and liabilities	9,496.17	10,163.05	9,942.75



- 2 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 26th May 2017.
- 3 The Company adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles stated there in, prescribed under Sec. 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS.
- 4 Reconciliations between consolidated equity and financial results, as previously reported (referred to as 'Previous GAAP') and Ind AS for quarters/year presented are as under:

EQUITY RECONCILIATION

Particulars	As at 31st March 2016 ₹ in crore	As at 1st April 2015 ₹ in crore
Equity under previous GAAP	6,733.60	6,880.05
Impairment of goodwill on consolidation	(3,317.00)	(3,317.00)
Impairment of investment in associates	(62.47)	(62.47)
Write-off of unamortised operating lease rentals	(122.79)	(122.79)
Equity component of foreign currency convertible bonds	96.37	152.91
Foreign currency monetary items translation differences	11.69	-
Drydocking costs amortised over 30 months under Ind AS	8.54	-
Equity under Ind AS	3,347.94	3,530.70

TOTAL COMPREHENSIVE INCOME RECONCILIATION

Particulars	For the quarter ended 31st March 2016 ₹ in crore	For the year ended 31st March 2016 ₹ in crore
Net Loss under previous GAAP	(151.66)	(458.95)
Unwinding of interest on foreign currency convertible bonds	(15.57)	(62.28)
Foreign currency monetary items translation differences	15.15	(39.74)
Drydocking costs amortised over 30 months under Ind AS	3.64	8.54
Foreign currency differences	1.15	2.26
Net Loss for the period under Ind AS	(147.29)	(550.17)

- 5 During the quarter ended 31st March 2017, the Company has entered into a sale and leaseback arrangement with respect to a dry bulk carrier to its wholly owned subsidiary Essar Shipping DMCC, UAE and the resultant profit of ₹ 2.48 crores has been amortised over the lease period
- 6 During the quarter ended 31st March 2017, the Company has sold 51% stake in Arkay Logistics Limited (ALL). (ALL was 100% owned till the previous quarter). Consequently, ALL ceased to be a subsidiary of the Company and has become an associate.
- 7 Subsequent to 31st March 2017, a) the Company has acquired a Panamax dry bulk carrier (74,005 DWT) and b) entered into a Memorandum of Agreement for sale of a capesize dry bulk carrier (152,065 DWT).
- 8 The results for the year ended March 31, 2017 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).
- 9 The figures for the quarter ended 31st March, 2017 and quarter ended 31st March, 2016 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.
- 10 The figures of the previous period(s) / year have been regrouped/reclassified wherever necessary.

Place: Mumbai
Date: 26th May, 2017



For and on behalf of the Board

Ranjit Singh
Executive Director & CEO



ESSAR SHIPPING LIMITED

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

website: www.essar.com, CIN:L61200GJ2010PLC060285

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

Particulars	₹ in crore				
	Quarter ended			Year ended	
	31.03.2017 (Refer Note 9)	31.12.2016 (Unaudited)	31.03.2016 (Refer Note 9)	31.03.2017 (Audited)	31.03.2016 (Audited)
Segment Revenue					
Operating Income					
Fleet operating and chartering	216.08	339.57	240.56	982.40	973.18
Logistics	292.29	338.83	194.75	1,233.36	861.61
Rig operating and chartering	23.79	33.44	73.31	97.39	185.35
Total	532.17	711.84	508.62	2,313.15	2,020.14
Less: Inter segment revenue	(64.30)	(38.11)	(29.97)	(187.77)	(101.74)
Total Income from operations	467.86	673.72	478.65	2,125.38	1,918.40
Segment Results					
Fleet operating and chartering	(22.36)	(3.33)	45.02	34.79	273.51
Logistics	53.76	42.77	29.64	150.11	85.60
Rig operating and chartering	(90.81)	(29.68)	(68.83)	(264.76)	(345.73)
(Loss) / Profit before finance costs	(59.41)	9.75	5.83	(79.86)	13.38
Less: Unallocated interest and finance costs	(116.68)	(79.01)	(146.99)	(466.98)	(541.60)
Loss before tax	(176.09)	(69.25)	(141.16)	(546.84)	(528.22)
Less: Tax expense	(1.82)	(18.96)	(6.13)	(37.85)	(21.94)
Loss before share of profit of associates	(177.91)	(88.22)	(147.29)	(584.69)	(550.17)
Share of profit of associate	1.24			1.24	
Loss for the period/year	(176.67)	(88.22)	(147.29)	(583.45)	(550.17)
Capital employed (segment assets-segment liabilities)					
Fleet operating and chartering	1,348.33	1,343.99	1,343.33	1,348.33	1,343.33
Logistics	-	227.22	61.91	-	61.91
Oilfields services	6,257.08	6,098.70	6,307.13	6,257.08	6,307.13
Unallocated	642.76	686.96	944.26	642.76	944.26
Total	8,248.17	8,356.87	8,656.63	8,248.17	8,656.63

Place: Mumbai
 Date: 26th May, 2017



For and on behalf of the Board

Ranjit Singh
 Executive Director & CEO



FORM B

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017

Essar Shipping Limited Consolidated Financial Statements

(As per Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)

Figures in Rs. Crores except per share figures

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (as reported after adjusting for qualifications)
	1	Total Income	2,126.62	2,126.62
	2	Total Expenditure	2,710.06	Cannot be ascertained
	3	Net Profit / (Loss)	(583.45)	Cannot be ascertained
	4	Earnings Per Share	(28.21)	Cannot be ascertained
	5	Total Assets	9,496.17	Cannot be ascertained
	6	Total Liabilities	6,861.29	6,861.29
	7	Net Worth	2,634.87	Cannot be ascertained
II.	Audit Qualification			
	a. Details of Audit Qualification: As per Auditors' Report dated May 26, 2017:			
	"Basis of Qualified Opinion			
	<p>We draw attention to the management's ongoing assessment of possible impairment of certain Rigs of the Oilfield Services business having carrying amounts of Rs. 114.99 crores (including Capital work-in-progress of Rs. 79.16 crores) as at March 31, 2017 as per the requirements of Indian Accounting Standards (Ind-AS) 36 Impairment of Assets as notified pursuant to Section 133 of the Companies Act, 2013 read with relevant rules issued there under. We have been informed that the management of the company has not concluded on the said assessment, accordingly, we are unable to comment on the provision for impairment if any which may be required in respect of the carrying amount of the aforesaid rigs."</p>			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: 4 years (including 2015-16)			
	d. For Audit Qualification where the impact is quantified by the auditor, Management's views: N/A			
	e. For Audit Qualification where the impact is not quantified by the auditor:			
	(i)	Management's estimation on the impact of the audit qualification: Management is unable to estimate the impact		
	(ii)	If management is unable to estimate the impact, reasons for the same: The carrying amount of certain rigs (including capital work-in-progress of Rs. 79.04 crore) which have generally not been deployed for extended period of time of the said business is Rs. 114.99 crores as at 31st March, 2017. The Management is in the process of validating various operational assumptions impacting the estimated future cash flows from the operations of the rigs of the said subsidiary. Pending conclusion of the said assessment, the recoverable amounts of the rigs,		

	are not yet estimated and accordingly, provision for impairment of the rigs, if any, has not been recognised as at 31st March, 2017 and the Statutory Auditors in their Audit Report have expressed their inability to comment on this matter.
(iii)	Auditors' Comments on (ii) above: We accept management's comments as noted above.
III. Signatories:	
	For Essar Shipping Limited:
	Ranjit Singh, Executive Director and Chief Executive Officer 
	Vikram Gupta, Chief Financial Officer 
	N Srinivasan, Audit Committee Chairman 
	
	For CNK & Associates, LLP
	Chartered Accountants
	(Firm's Registration No. 101961W/W-100036):
	Manish Sampat 
	Statutory Auditor, Membership No. 101684
	
	Place: Mumbai
	Date: May 26, 2017