

ESSAR SHIPPING LIMITED							
Regd. Office: EBTSL Premises, ER-2 Building (Admin Building) Saiya, 44 KM, P.O. Box No.7, Taluka Khambhalia, Devbhumi Dwarka, Gujarat - 301305 esl.secretarial@essarshipping.co.in, website: www.essar.com, CIN:L61200GJ2010PLC060285							
Head Office: Essar House, 11, Keshavrao Khadya Marg, Mahalaaxmi, 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	120.14	76.36	296.05	196.50	569.81	1,037.89
	Fleet operating and chartering	7.95	68.41	84.74	76.36	154.68	291.03
	Rig operating and chartering	3.99	3.43	3.20	7.42	6.32	15.24
	Other operating income	1.28	1.20	50.91	2.48	56.31	150.14
	b) Other income	133.36	149.40	436.90	282.76	787.12	1,494.30
2	Total income from operations						
	Expenses	94.56	64.63	268.08	159.19	477.63	898.90
	a) Operating expenses	17.92	23.24	28.83	41.16	57.95	111.56
	b) Employee benefits expenses	136.53	105.58	105.61	242.11	193.84	432.58
	c) Finance costs	43.15	43.64	42.70	86.79	85.60	172.25
	d) Depreciation	0.75	5.71	17.64	8.46	23.46	73.09
	e) Other expenses	292.91	242.80	482.86	535.71	838.48	1,688.38
	Total expenses	(159.55)	(93.40)	(25.96)	(252.95)	(51.36)	(194.08)
3	Profit / (Loss) for the period / year before exceptional items, tax and share of profit of associate	1.01	(9.61)	-	(8.60)	-	(1,491.66)
4	Exceptional Items (refer note 4)	(158.54)	(103.01)	(25.96)	(261.55)	(51.36)	(1,685.74)
5	Profit / (Loss) for the period / year after exceptional items and before tax	(0.20)	(0.21)	(0.30)	(0.41)	(0.60)	(1.11)
6	Tax expenses	(158.74)	(103.22)	(26.26)	(261.96)	(51.96)	(1,688.85)
7	Profit / (Loss) for the period / year after tax before share of profit of	-	-	-	-	-	-
8	Share of profit / (loss) of associate	(158.74)	(103.22)	(26.26)	(261.96)	(51.96)	(1,688.85)
9	Profit / (Loss) for the period / year after share of profit / (loss) of associate	(158.79)	(100.63)	(27.57)	(259.42)	(54.55)	(1,681.50)
	Attributable to:						
	-Shareholders of the Parent	0.05	(2.59)	1.31	(2.54)	2.59	(5.35)
	-Non-controlling interests	(0.30)	(0.06)	1.71	(0.36)	2.11	2.84
10	Other comprehensive income net of tax	(159.04)	(103.28)	(24.55)	(262.32)	(49.85)	(1,684.01)
11	Total comprehensive profit / (loss) net of tax	(159.09)	(100.69)	(25.86)	(259.78)	(52.44)	(1,678.66)
	Attributable to:						
	-Shareholders of the Parent	0.05	(2.59)	1.31	(2.54)	2.59	(5.35)
	-Non-controlling interests	206.98	206.98	206.98	206.98	206.98	206.98
12	Paid-up equity share capital (face value of ₹10/- each)						(4,428.44)
13	Total Reserves						
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	914.20	1,002.81
(a) Property, plant and equipment	10.80	10.80
(b) Capital work-in-progress	0.00	0.00
(c) Investments		
(d) Financial assets	0.49	0.49
- Other financial assets	8.89	15.78
(e) Other non-current assets		
Total non-current assets	934.38	1,029.88
Current assets	2.36	-
(a) Investments	25.50	21.65
(b) Inventories		
(c) Financial assets	46.09	71.99
i. Trade and other receivables	56.53	44.30
ii. Cash and cash equivalents	446.68	484.76
iii. Loans	499.38	497.42
iv. Other financial assets	184.33	215.44
(d) Other current assets	1,260.87	1,315.56
Total current assets	2,195.25	2,345.44
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity	206.98	206.98
Equity share capital		
Other Equity	(4,679.06)	(4,428.44)
Reserves and surplus	261.99	261.46
Non-controlling Interests	(4,210.09)	(3,960.00)
Total equity		
Liabilities		
Non-current liabilities		
Financial liabilities	1,945.38	1,974.95
Borrowings	1,945.38	1,974.95
Total non-current liabilities		
Current liabilities		
(a) Financial liabilities	231.63	260.90
i. Trade payables	4,178.69	4,013.37
ii. Other financial liabilities	2.89	2.58
(b) Employee benefit obligations	28.25	26.48
(c) Current tax liabilities	18.50	27.16
(d) Other current liabilities	4,459.96	4,330.49
Total current liabilities	5,405.34	5,305.44
Total liabilities	2,195.25	2,345.44
TOTAL EQUITY AND LIABILITIES		



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Head Office: Essar House, 11, Keshavnagar Khadye Marg, Mahalaxmi, Mumbai 400 034						
Unaudited Consolidated Segment wise Revenue, Results and Capital employed for the quarter and half year ended 30 September, 2020						
(₹ In crore)						
Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.06.2019 (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)	-	(1,491.68)
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)	(0.60)	(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)	(1,834.59)	(1,685.85)	(1,834.59)	(1,687.86)
Unallocated	(169.54)	(65.62)	(36.14)	(169.54)	(36.14)	(6.90)
- Assets	946.06	957.61	841.88	946.06	841.88	962.18
- Liabilities	(1,115.60)	(1,023.23)	(878.02)	(1,115.60)	(878.02)	(969.08)
Total	(2,264.71)	(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	8.59	-
- Provision / Impairment for doubtful receivables / advances	86.79	85.60
Depreciation	242.11	193.84
Finance costs	(1.64)	(54.44)
Interest income	(0.07)	1.71
Unrealised foreign exchange gain		
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.		
	As at	As at
Particulars	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 stepdown 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)	9.61	-	8.60	-	71.33
Provision for impairment as per Ind AS 38 in the fair value of the an associate based on management assessment & valuation report	-	-	-	-	-	864.45
Impairment of fixed assets / capital work-in-progress	-	-	-	-	-	720.10
Impairment of goodwill	-	-	-	8.60	-	1,491.66
Total	(1.01)	9.61	-	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 it's 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

