ESSAR SHIPPING

ANNUAL REPORT

2024-25

BOARD OF DIRECTORS

Mr. Rajesh Desai
Executive Director
(w.e.f. 12.11.2021)

Mr. R. Suresh
Independent Non- Executive Director
(w.e.f. 29.09.2021)

Mr. R. Jayakumar
Independent Non- Executive Director
(w.e.f. 29.09.2021)

Mr. Sunil Modak
Independent Non- Executive Director
(W.e.f 08.09.2022)

Ms. Raichel Mathew
Non-Executive Director
(w.e.f 08.09.2022)

Ms. Raji Chandrashekar
Independent Non- Executive Director
(W.e.f 08.09.2022 till 28.05.2024)

Mr. Vipin Jain
Chief Financial Officer
(w.e.f 01.10.2022)

Mr. Vipin Jain
Whole-Time Director
(w.e.f 28.05.2024)

Mr. Ketan Shah
Additional Non-Executive Director
(w.e.f. 29.05.2025 till 28.08.2025)

Mr. Srinivasan Vaidyanathan
Additional Non-Executive Director
(w.e.f. 29.05.2025 till 21.07.2025)

Ms. Nisha Barnwal
Company Secretary
(w.e.f 23.09.2021 till 12.04.2024)

Ms. Rachana H Trivedi
Company Secretary
(w.e.f. 13.04.2024 till 31.03.2025)

Mr. Bharat Modi
Company Secretary
(w.e.f. 01.04.2025)

AUDITORS

C N K & ASSOCIATES LLP.
Chartered Accountants
(Firm Registration No. 101961 W/W – 100036) Add:
Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road,
Churchgate,Mumbai- 400 020

SECRETARIAL AUDITOR

MAYANK ARORA & CO.,
101, 1st Floor, Udhyog Bhavan,
Goregaon East, Mumbai - 400063
Telephone: 022-49735566
Email: cs@mayankarora.co.in

INTERNAL AUDITOR

DMKH & CO.
311, 3rd Floor, Pratik Mall, Near Swaminarayan
Dham, Kudasan, Gandhinagar, Gujarat – 382421

DEBENTURE TRUSTEEE

MITCON CREDENTIA TRUSTEESHIP SERVICES LIMITED
(Debenture Trustee)
1402/1403, B Wing, 14th Floor, Dalamal Tower,
Free Press Journal Marg, 211, Nariman Point,
Mumbai – 400 021.

BEACON TRUSTEESHIP LIMITED
(Debenture Trustee)
5W, 5th Floor, The Metropolitan, E-Block,
Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

REGISTRAR & TRANSFER AGENT

Data Software Research Company Private Limited
19, Pycroft Garden Road, Off Haddows Road,
Nungambakkam, Chennai- 600 006
Ph.No.044-28213738 / 28214487
Fax No. 044-28214636
Email: essar.shipping@dsrc-cid.in

REGISTERED OFFICE:

EBTSL Premises, ER-2 Building (Admin Building),
Salaya, 44 KM, P.O. Box No.7,
Taluka Khambhalia, Devbhumi Dwarka.
Gujarat- 361 305

CORPORATE OFFICE:

Essar House 11, K.K. Marg,
Mahalaxmi. Mumbai- 400 034.
Maharashtra, India.
E-mail: esl.secretarial@essar.co.in

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NOTICE FOR ANNUAL GENERAL MEETING

Notice is hereby given that the **15th** Annual General Meeting (the Meeting) of the Members of Essar Shipping Limited (the Company) will be held on Friday, September 26, 2025 at 3.00 PM through video conferencing ("VC")/ Other Audio-Visual Means (OEAVM) in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020, 14/2020, 17/2020, 20/2021, 03/2022, 11/2022 and 09/2023 dated May 5, 2020, April 8, 2020, April 13, 2020, December 8, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 respectively, to transact following business:

ORDINARY BUSINESS:

1. **ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS**

   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2025 together with the reports of the Board of Directors and Auditors thereon.

2. **ADOPTION OF AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

   To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2025 together with the reports of Auditors thereon.

3. **APPOINTMENT OF MS. RAICHEL MATHEW (DIN: 09625593) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION**

   To appoint a Director in place of Ms. Raichel Mathew (DIN: 09625593), who retires by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

4. **APPOINTMENT OF THE STATUTORY AUDITORS OF THE COMPANY:**

   To appoint M/s. Manohar Chowdhry & Associates, Chartered Accountants (Firm Registration No. 01997S) as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the Annual General Meeting of FY 2029-30 and to fix their remuneration and to pass with or without modification(s), the following Resolutions as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 141,142, 143 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company, be and is hereby accorded for the appointment of M/s. Manohar Chowdhry & Associates, Chartered Accountants (Firm Registration No. 01997S) as the Statutory Auditors of the Company, for a continuous period of 5 (five) years, to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the Annual General Meeting of FY 2029-30, at such remuneration plus out of pocket expenses on actual basis and applicable taxes, as may be recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors."

   RESOLVED FURTHER THAT for the purpose of giving effect to the above said resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things, matters as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

   RESOLVED FURTHER THAT any Director or Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorized to file necessary e-forms, papers with the statutory authorities including the Registrar of Companies as may be required under the applicable law to give effect the above said Resolution."

SPECIAL BUSINESS:

5. (A) **DISINVESTMENT IN OVERSEAS WHOLLY OWNED SUBSIDIARY (ESSAR SHIPPING DMCC, DUBAI) UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of section 180(1)(a), and other applicable provisions if any, of the Companies Act, 2013, and the relevant rules made thereunder, and pursuant to regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modifications, amendments or re-enactments of any of them for the time being in force), the Memorandum and Articles of Association of the company and subject to other requisite approvals to the extent necessary as may be required, the consent of the Members of the Company be and is hereby accorded to sell/ transfer or otherwise dispose-off in one or more tranches, the 100% investment i.e. 1,37,122 shares held in Essar Shipping DMCC, a subsidiary company in Dubai to Essar Investment Holdings Mauritius Limited, or any other Essar group entity for a consideration at fair market value (FMP) as agreed between the parties to the purchasers or to any other purchasers with whom the Board may finalize the agreement and on such other terms and conditions as may be approved by the Board;

   RESOLVED FURTHER THAT for the purpose of implementation of this resolution, the Board / or such committee be and is hereby authorized to do all such acts, deeds, matter and things, including but not limited to deciding the time, mode, manner, extent of tranches, if required and other terms and conditions of the disinvestment/ sales of the shares as aforesaid, negotiating and finalizing the terms of sale/ offer for sale as may be necessary, desirable and expedient to be agreed, and all incidental and necessary steps for and on behalf of the company and to settle all questions or queries that may arise in the course of implementing this resolution."

(B) DISINVESTMENT IN OVERSEAS WHOLLY OWNED SUBSIDIARY (OGD SERVICES HOLDINGS LIMITED, MAURITIUS) UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 180(1)(a), and other applicable provisions if any, of the Companies Act, 2013, and the relevant rules made thereunder, and pursuant to regulation 23, 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modifications, amendments or re-enactments of any of them for the time being in force), the Memorandum and Articles of Association of the company and subject to other requisite approvals to the extent necessary as may be required, the consent of the Members of the Company be and is hereby accorded to sell/ transfer or otherwise dispose-off in one or more tranches, the entire investments i.e. 246,600,001 equity shares and 2,07,23,227, 0.01% Compulsory Convertible Preference Shares held in OGD Services Holdings Limited, a wholly owned subsidiary company in Mauritius to Essar Investment Holdings Mauritius Limited or any other Essar group entity for a total consideration at fair market value (FMP) as agreed between the parties to the purchasers and at the consideration not less than the amount as mentioned below; or to any other purchasers with whom the Board may finalize the agreement and on such other terms and conditions as may be approved by the Board.

RESOLVED FURTHER THAT for the purpose of implementation of this resolution, the Board / or such committee be and is hereby authorized to do all such acts, deeds, matter and things, including but not limited to decide the time, mode, manner, extent of tranches, if required and other terms and conditions of the disinvestment/ sale of the shares as aforesaid, negotiating and finalizing the terms of sale/ offer for sale as may be necessary, desirable and expedient to be agreed, and all incidental and necessary steps for and on behalf of the company and to settle all questions or queries that may arise in the course of implementing this resolution."

6. APPOINTMENT OF MR. KETAN KANTIBHAI SHAH (DIN: 02481491) AS A NON - EXECUTIVE NON- INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass with or without modification(s), the following resolution an Ordinary Resolution:

"**RESOLVED THAT** pursuant to provisions of section 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ('the Act'), the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), based on the recommendations of the Nomination and Remuneration Committee, the consent of the members be and is hereby accorded to appoint Mr. Ketan Kantibhai Shah (DIN: 02481491) as a Non-Executive Non-Independent Director of the Company liable to retire by rotation.

"**RESOLVED FURTHER THAT** pursuant to the provisions of section 149 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ketan Kantibhai Shah be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.

7. APPOINTMENT OF M/S. MAYANK ARORA & CO., PRACTICING COMPANY SECRETARIES AS THE SECRETARIAL AUDITOR OF THE COMPANY:

To consider and if thought fit, pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. Mayank Arora & Co., Practicing Company Secretaries (FRN: P2023MH094900) as the Secretarial Auditor of the Company for a period of five (5) years, commencing from FY 2025-26 to 2029-2030 to conduct a Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.

8. **TO CONSIDER AND APPROVE GENERAL RELATED PARTY TRANSACTIONS:**

To consider and if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 177 and 188 of the Companies Act, 2013 ("the Act") and Regulation 23(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company's Policy on "Materiality of Related Party Transactions and also on dealing with Related Party Transactions", subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approvals, consents, permissions and/ or sanctions which may be agreed to by the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to the Audit Committee and the Board of Directors to authorize the management of the Company to enter into any and all material related party agreement(s) and/or transaction(s) and/or contract(s) (whether by way of an individual transaction or all transactions taken together), as may be appropriate, with the following Related Parties and between the related parties as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of LODR Regulations inter-alia, to sell, purchase, transfer or receipt of products, goods, materials, services or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and any of the Related Party, for the amount in aggregate not exceeding as mentioned against the name of each of the following Related Party during the period mentioned against the name of each Related Party:

Sr.	Name of Related Party	Relationship	Nature of Transaction(s)	Amount (₹ In crores)		
				2025-26	From April 01, 2025 till the date of 15th Annual General Meeting	From the date of 15th Annual General Meeting till the date of 16th Annual General Meeting to be held in calendar year 2026
1	Essar Shipping DMCC	Subsidiary Company	Income from Management Services	1.80	1.80	-
2	Essar Investment Holdings Mauritius Limited	Associates	Income from Management Services including reimbursements	3.76	3.76	-
3	Futura Travels Limited	Associates	Ticket & Visa Charges	0.52	0.02	0.50
4	Essar Shipping Limited Employees Provident Fund	Provident Fund Trust	Contribution of Provident Fund amount of Employees	0.60	0.10	0.50
5	Equinox Reality Holdings Limited	Associates	Sale of shares of Subsidiaries	71.88	71.88	-
6	Black Box Limited	Associates	IT and Software charges	0.50	-	0.50
7	Essar Shipping DMCC	Subsidiary Company	Receipt against receivables	765.00	-	765.00
8	Essar Shipping DMCC	Subsidiary Company	Payable against Trade Advance	331.00	-	331.00
9	Essar Steel Metal Trading Limited	Associates	Finance cost	6.41	2.41	4.00
10	Essar Steel Metal Trading Limited	Associates	Repayment of loan	8.25	-	8.25

Sr.	Name of Related Party	Relationship	Nature of Transaction(s)	Amount (₹ In crores)		
				2025-26	From April 01, 2025 till the date of 15th Annual General Meeting	From the date of 15th Annual General Meeting till the date of 16th Annual General Meeting to be held in calendar year 2026
11	Essar Investment Holdings Mauritius Limited	Associates	Sale of shares of Subsidiaries	~1000.00*	-	~1000.00
12	Between Essar Shipping DMCC, Dubai and Equinox Reality Holdings Limited (ERHL)	WOS with its Associate	Availment of loan	880.00	-	880.00
13	Between Essar Shipping DMCC, Dubai and Gargnano, S.A. de C.V.	WOS with its subsidiary	Equity Infusion	32.00	0.58	31.42
14	Between Essar Shipping DMCC, Dubai and Energy II Limited	WOS with its Associate	Availment of loan	88.00	-	88.00

*Subject to valuation.

RESOLVED FURTHER THAT consent of the Members of the Company be and is hereby accorded for ratification of the aforesaid related party transactions already entered into by Company, if any exceeding the threshold limits as specified in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and which are material in nature in terms of Regulation 23 (1) of LODR Regulation 2015.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution and matters connected therewith or incidental thereto including settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all decisions from powers herein conferred to, without being required to seek further consent/approval of the members of the Company."

By Order of the Board

Sd/-

Bharat Modi

Company Secretary and Compliance Officer

Place: Mumbai,

Date: 13th August, 2025

Registered Office:

Essar Shipping Limited

EBTSL Premises, ER-2 Building (Admin. Building),
Salaya, 44 KM, P.O. Box No. 7, Taluka Khambhalia,
Devbhumi Dwarka, Gujarat - 361 305
CIN: L61200GJ2010PLC060285

Notes:

1. Explanatory Statement setting out the material facts concerning each item of Special Businesses to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Information on all the Directors proposed to be appointed/re-appointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 are provided in the **Annexure - A** to this Notice.

2. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos.14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No.20/2020 dated 5th May, 2020, Circular No.02/2021 dated 13th January, 2021, Circular No.19/2021 dated 8th December, 2021,Circular No.21/2021 dated 14th December, 2021, Circular No.02/2022 dated 5th May, 2022, Circular No. 10/2022 dated 28th December, 2022, Circular No. 09/2023 dated 25th September, 2023 and Circular No. 09/2024 dated 19th September, 2024 ("MCA Circulars") has permitted to conduct the Annual General Meeting through video conferencing ("VC") or other audiovisual means ("OAVM") upto 30th September, 2025. In compliance with the aforesaid MCA Circulars, the 15th Annual General Meeting ("15th AGM" or "Meeting") of the Members of the Company will be held through VC/OAVM, without the physical presence of the Members. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2025 consisting of financial statements including Board's Report, Auditors' Report and other documents required to be attached therewith(Collectively referred to as Annual Report) is being sent only to those members whose e- mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member. The Notice has also been hosted on the website of the Company www.essar.com.

3. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

4. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agents. It may be noted that any service request can be processed only after the folio is KYC Compliant.

5. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://www.essar.com/investors/essar-shipping-limited/dematerialisation-of-shares/.

   Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company in case the shares are held in physical form.

6. Members holding shares in physical form, are requested to convert their physical shareholding in to dematerialized shareholding. Please note that transfer of shares in physical form is not permissible as per SEBI guidelines. In this regard, the Members/legal heirs of deceased Members are also requested to open demat account simultaneously for dematerializing the shares to their demat account(s) after transmission of shares in their name by the RTA of the Company.

7. SEBI vide circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 03rd November, 2021, SEBI/HO/MIRSD/ MIRSD RTAMB/ P/CIR/2021/687 dated 14th December, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 has provided the norms for furnishing PAN, KYC details and Nomination by holders of physical securities. Pursuant to the aforesaid SEBI Circular, the Company has sent individual communications to all the Members holding shares of the Company in physical form. In case of physical shareholders who have not updated their KYC details may please submit Form ISR-1, Form ISR-2, Form ISR-3 and Form No. SH-13. The link for downloading the forms is available on the Company's website at https://www.essar.com/investors/essar-shipping-limited/dematerialisation-of-shares/ and RTA`s website at http://dsrc.com/bpm/

8. Those Shareholders whose email IDs are not registered can get their Email ID registered as follows:

   - Members holding shares in demat form can get their E-mail ID registered by contacting their respective Depository Participant.
   - Members holding shares in the physical form can get their E-mail ID registered by contacting our Registrar and Share Transfer Agent "Data Software Research Company Private Limited" on their email ID essar.shipping@dsrc-cid.in or by sending the duly filled in E-communication registration form enclosed with this Notice to our RTA on their email id essar.shipping@dsrc-cid.in

9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act

10. The members who have not yet registered their e- mail ids with the Company may contact Mr. Radha Krishna, on e-mail essar.shipping@dsrc-cid.in or phone no. 044-28213738 / 28214487 for registering their e- mail ids on or before September 19, 2025 for entitling the members to cast their vote. The Company shall send the Notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.

11. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

12. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.

13. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and applicable provisions of the SEBI Listing Regulations, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the facility of voting through electronic means to the members to enable them to cast their votes electronically in respect of all the businesses to be transacted at the aforesaid Meeting.

14. The Company shall be providing the facility of voting through E-mail which shall be sent to the designated e-mail id of the Scrutinizer, M/s. Mayank Arora & Co., to those members who could not cast their vote through remote e-voting, Members who cast their votes by remote e-voting may attend the Meeting through VC, but will not be entitled to cast their votes at the Meeting once again.

15. Voting rights of the members (for voting through remote e-voting or e-voting system provide in the Meeting itself shall be in proportion to shares of the paid-up equity share capital of the Company as on the **cut-off date** September 19, 2025. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e- voting system provide in the Meeting.

16. In accordance with the aforementioned MCA Circulars, the Company has appointed National Securities Depository Limited (NSDL) for providing the VC facility to the members for participating in the Meeting. The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:

17. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.

18. In view of the MCA Circulars, no proxy shall be appointed by the members. However, corporate members are required to send to the Company/ RTA/ Scrutinizer, a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC.

19. The Register of Members of the Company will remain closed from Saturday, September 20, 2025 to Friday, September 26, 2025 (both days inclusive) for determining the name of members eligible for voting.

20. The Members may send request for checking Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 at esl.secretarial@essarshipping.co.in before the 15th AGM.

21. The Members may send request for inspection of all other relevant documents referred to in the accompanying notice/ explanatory statement at esl.secretarial@essarshipping.co.in before the 15th AGM.

22. The Notice for this Meeting along with requisite documents and the Annual Report for the financial year ended 2024-25 shall also be available on the Company's website Essar Shipping Limited - Essar

23. The Board of Directors has appointed M/s Mayank Arora & Co, Company Secretaries as the Scrutinizer for the purpose of scrutinizing the remote e- voting and e- voting system provide in the Meeting in a fair and transparent manner.

24. The results of remote e-voting and e- voting system provided in the Meeting shall be aggregated and declared on or after the Meeting of the Company by the Chairman or by any other person duly authorized in this regard.

25. The results declared along with the report of the scrutinizer shall be placed on the Company's website www.essar.com and on the website of NSDL immediately after the result is declared by the Chairman and simultaneously communicated to the Stock Exchanges within two working days from the date of AGM.

26. Members are requested to contact the Company's Registrar & Share Transfer Agent, Data Software Research Company Private Limited for reply to their queries/ redressal of complaints, if any, or contact Mr. Bharat Modi, Company Secretary of the Company at esl.secretarial@essarshipping.co.in

27. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA, Data Software Research Company Private Limited or the Company.

28. In compliance with the Circulars, the Integrated Annual Report for 2024-25, the Notice of the 15th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s) (DP). A letter providing the web-link for accessing the Integrated Annual report, including the exact path, will be sent to those members who have not registered their email address with the Company.

29. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1st April, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Members holding shares in physical form are therefore requested to dematerialize their holdings immediately. However, members can continue to make request for transmission or transposition of securities held in physical form.

30. Non-Resident Indian Members are requested to inform RTA, immediately on:

    a) Change in their residential status on return to India for permanent settlement;

    b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

31. Members holding shares in single name and wishes to appoint nominee in respect of their shareholding may download the nomination form from Essar Shipping Limited - Essar

32. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Please these instructions file with the word file attached to this mail

The remote e-voting period begins on Tuesday, September 23, 2025 at 09:00 A.M. and ends on Thursday, September 25, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 19, 2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 19, 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@mayankarora.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to esl.secretarial@essarshipping.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to esl.secretarial@essarshipping.co.in. If you are an Individual

shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

i The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

ii Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

iii Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

iv The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

i. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

ii. Members are encouraged to join the Meeting through Laptops for better experience.

iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at esl.secretarial@essarshipping.co.in. The same will be replied by the company suitably.

vi. Registration of Speaker related point needs to be added by company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5.

(A) DISINVESTMENT IN OVERSEAS WHOLLY OWNED SUBSIDIARY (ESSAR SHIPPING DMCC, DUBAI) UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013:

The entire sale proceeds from the sale of investment shall be utilized for redemption of NCDs availed earlier to redeem FCCBs, hence, the Board of Directors decided to extend the time frame of the said resolution by 1 year from this Annual General Meeting and again propose the said resolution to the Shareholders.

The members of the Company are further informed that according to the provisions of Section 180(1)(a), 188 of Companies Act, 2013 Regulation 23, 37A of the SEBI (LODR) Regulations, 2015, the Board of Directors can exercise its powers to sell/transfer their immovable and movable assets to secure its borrowings, with the consent of the shareholders obtained by way of Special Resolution. Hence, consent of the Members is being sought for sale of investment of the Company in its subsidiaries.

Further, such a special resolution shall be acted upon only if the votes cast by the public shareholders in favour of the resolution exceed the votes cast by such public shareholders against the resolution.

Information pursuant to SEBI circular no SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sr. No	Details	Essar Shipping DMCC, Dubai
1	Type, material terms and particulars of the proposed transaction	Sale of ODI Investment
2	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	**Name:** Essar Shipping DMCC, Dubai **Relationship:** Wholly owned Subsidiary Company
3	Tenure of the proposed transaction (particular tenure shall be specified)	Within 1 year from the 15th AGM
4	Value of the proposed transaction;	At Fair Market Value (FMP), subject to valuation report.
5	The percentage of the listed entity's annual consolidated turnover, considering FY 2024-25 as the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Amount of total Income = ₹ Nil (0%) ESDMCC- Net-worth= ₹ 465.16 crs (Negative) ESDMCC- Net-worth contribution (%) = 19.55%
6	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
7	Justification as to why the RPT is in the interest of the listed entity;	The entire sale proceeds from the sale of investment shall be utilized for redemption of NCDs availed earlier to redeem FCCBs.
8	Any other information that may be relevant	It is a related party transaction. Transaction is being done on arm's length basis, as the transaction will not be less than the fair market value as per OI Rules **

**The FEM (Overseas Investment) Rules, 2022; (ii) the FEM (Overseas Investment) Directions, 2022; and (ii) the FEM (Overseas Investment) Regulations, 2022 (collectively referred to as the "OI Rules")

The monetary value of the transactions proposed is estimated on the basis of the Company's current transactions and future business.

Further, in terms of Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), the Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50 per cent or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting. Further, Regulation 24(6) of the SEBI Listing Regulations, provides that no company shall sell, dispose of assets amounting to more than 20 per cent of the assets of the material subsidiary on an aggregate basis during a financial year without passing a special resolution in its general meeting. The approval of the shareholders sought shall also be considered as compliance under Regulation 24(5) and 24(6) of the SEBI Listing Regulations.

The Board is of the opinion that the transactions referred in the resolution would be in the best interest of the Company. The Board accordingly recommends the Special Resolution at Item No. 5 of the accompanying notice for your approval.

Pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") and Section 188 of the Companies Act, 2013, all related parties shall abstain from voting on such resolution.

None of the Directors, Key Managerial Personnel, their associates and their relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolutions set forth in Item No. 5 this Notice, except to the extent of their shareholding in the Company, if any.

(B) DISINVESTMENT IN OVERSEAS WHOLLY OWNED SUBSIDIARY (OGD SERVICES HOLDINGS LIMITED, MAURITIUS) UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013:

The entire sale proceeds from the sale of investment shall be utilized for redemption of NCDs availed earlier to redeem FCCBs, hence, the Board of Directors decided to extend the time frame of the said resolution by 1 year from this Annual General Meeting and again propose the said resolution to the Shareholders.

The members of the Company are further informed that according to the provisions of Section 180(1)(a), 188 of Companies Act, 2013 Regulation 23, 37A of the SEBI (LODR) Regulations, 2015, the Board of Directors can exercise its powers to sell/transfer their immovable and movable assets to secure its borrowings, with the consent of the shareholders obtained by way of Special Resolution. Hence, consent of the Members is being sought for sale of investment of the Company in its subsidiaries.

Further, such a special resolution shall be acted upon only if the votes cast by the public shareholders in favour of the resolution exceed the votes cast by such public shareholders against the resolution.

Information pursuant to SEBI circular no SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021:

Transaction with Subsidiary/Associate of the Company

Sr. No	Details	OGD Services Holdings Limited, Mauritius
1	Type, material terms and particulars of the proposed transaction	Sale of ODI Investment
2	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	**Name:** OGD Services Holdings Limited, Mauritius **Relationship:** Wholly owned Subsidiary Company
3	Tenure of the proposed transaction (particular tenure shall be specified)	Within 1 year from the 15th AGM
4	Value of the proposed transaction;	At Fair Market Value (FMP)
5	The percentage of the listed entity's Extra ordinary consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's Extra ordinary turnover on a standalone basis shall be additionally provided)	Amount of total Income = ₹ Nil (0%) OGDSHL - Net-worth = ₹ 419.94 crs (Negative) OGDSHL- Net-worth contribution (%) = 17.65%

Sr. No	Details	OGD Services Holdings Limited, Mauritius
6	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilizedby the ultimate beneficiary of such funds pursuant to the RPT	NA
7	Justification as to why the RPT is in the interest of the listed entity;	The entire sale proceeds from the sale of investment shall be utilized for redemption of NCDs and ICDs availed earlier to redeem FCCBs.
8	A copy of the valuation or other external party report, if any such report has been relied upon	Sale of entire stake in Equity & Preference shares in OGD Services Holdings Limited (OGDSHL) at Fair Market value, subject to valuation report.
9	Any other information that may be relevant	It is a related party transaction. Transaction is being done on arm's length basis, as the transaction will not be less than the fair market value as per OI Rules **

****The FEM (Overseas Investment) Rules, 2022; (ii) the FEM (Overseas Investment) Directions, 2022; and (ii) the FEM (Overseas Investment) Regulations, 2022 (collectively referred to as the "OI Rules")**

Further, in terms of Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), the Company shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50 per cent or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting. Further, Regulation 24(6) of the SEBI Listing Regulations, provides that no company shall sell, dispose of assets amounting to more than 20 per cent of the assets of the material subsidiary on an aggregate basis during a financial year without passing a special resolution in its general meeting. The approval of the shareholders sought shall also be considered as compliance under Regulation 24(5) and 24(6) of the SEBI Listing Regulations.

None of the Directors, Key Managerial Personnel, their associates and their relatives are concerned or interested, financially or otherwise, in the resolutions set forth in Item No. 5 of this Notice, except to the extent of their shareholding in the Company, if any.

Item No. 6:

Appointment of Mr. Ketan Kantibhai Shah as a Non-Executive and Non-Independent Director of the Company:

The Board of Directors of the Company at its meeting held on May 29, 2025 appointed Mr. Ketan Kantibhai Shah as an Additional Director of the Company in the capacity of Non-Executive Non-Independent Director subject to the approval of the Members of the Company. As per Regulation 17(1C) the approval of shareholders for appointment of director had to be taken in the next general meeting or within a period of three months from the date of appointment whichever is earlier. However due to some unavoidable circumstances the Company is unable to convene the general meeting within the prescribed time line.

The Company received a notice from a member of the Company under Section 160 of the Companies Act, 2013, signifying their intention to propose the candidature of Mr. Ketan Kantibhai Shah (DIN: 02481491) for the office of Non-Executive Non-Independent Director of the Company pursuant to the provisions of Sections 152 of the Companies Act, 2013. In view of the same Nomination and Remuneration Committee at their meeting held on August 13, 2025 has recommended the candidature of Mr. Ketan Kantibhai Shah (DIN: 02481491) under Section 160 of the Companies Act, 2013 for the approval of the Board with effect from date of current Annual general meeting subject to the approval of the Members of the Company.

Brief Profile:

Mr. Ketan Shah is a seasoned Finance & Accounts professional and brings with him over 35 years of experience in corporate finance with significant tenure in the Steel Industry in strategic, planning and operational roles.

Mr. Shah is associated with the Essar Group for nearly three decades in various roles and capacities.

At present, he is Chief Financial Officer and Director of Essar Minmet Limited.

Prior to this, he was the Chief Financial Officer of Essar Shipping Ltd. During his tenure, he was responsible for the activities related to Finance, Accounts, Tax and Secretarial functions. He was part of leadership team of the business which took up and executed successfully the task of monetization of the assets and repayment of the liabilities of business at the most opportune time. His dynamic leadership and expertise in financial management have been instrumental in driving the business.

Prior to Essar Shipping Limited, he was working with Essar Steel India Ltd. until 2018 as a Vice President Treasury and he played a vital role in setting up of Working Capital limits for the company from a consortium of Banks, managing these limits, improving liquidity of the company, optimizing the cost of borrowings, fund management, etc.

Mr. Ketan Shah is a Cost Accountant from ICWAI and a B.com graduate from Lala Lajpatrai Collage.

The necessary information/disclosure in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) is provided under Annexure-I attached to this Notice.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience of Mr. Ketan Shah, the Shareholders are requested to approve the appointment of him as a Non-Executive Non-Independent Director of the Company.

The Board recommends the ordinary resolution as set out at Item No. 6 of the AGM Notice for approval by the Members.

Except Mr. Ketan Shah, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the said Resolution in the accompanying Notice.

Item No. 7:

Appointment of M/s. Mayank Arora & Co., Practicing Company Secretaries as the Secretarial Auditor of the Company

In accordance with Section 204 of the Companies Act 2013, read with the rules framed thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), every listed entity is required to undertake Secretarial Audit by a Peer Reviewed Secretarial Auditor who shall be appointed by the Members of the Company, on the recommendation of the Board of Directors, for a period of five consecutive years.

Based on the recommendation of the Audit Committee, the Board, at its Meeting held on May 29, 2025, subject to the approval of the Members of the Company, approved appointment of M/s. Mayank Arora & Co, Company Secretaries (FRN: P2023MH094900)as the Secretarial Auditors of the Company, for a term of five (5) consecutive years, to hold office of the Secretarial Auditor from the Financial Year 2025-26 upto Financial Year 2029-30.

M/s. Mayank Arora & Co., is a Practicing Company Secretary Firm with over 10 years of experience. The firm offers expertise in Company Secretarial, RBI Consultancy, Finance and Legal work & other Related compliances.

M/s. Mayank Arora & Co. had consented to their appointment as the Secretarial Auditors of the Company and have confirmed that they fulfill the criteria as specified in Clause (a) of regulation 24A (1A) of the SEBI Listing Regulations and have not incurred any of disqualifications as specified by the Securities and Exchange Board of India.

The Board and the Audit Committee has evaluated various factors while considering appointment of the firm as Secretarial Auditors including its domain expertise, existing and prior exposure in handling similar business segments, existing clientele, its overall market credibility and also the quality of audit work done by it in the past. Based on the above assessment, the Board and the Audit Committee were satisfied that the firm possess the required professional competence, independence, and resource capability to undertake the secretarial audit of the Company in a diligent and effective manner.

The proposed remuneration to be paid to M/s. Mayank Arora & Co., is ₹ 75000/- (Rupees Seventy Five Thousand only) plus applicable taxes and reimbursement of out-of pocket expenses in connection with the secretarial audit for FY 2025-26 and for subsequent year(s) of its term, as may be determined by the Board on the recommendation of the Audit Committee and in consultation with the Secretarial Auditors.

Accordingly, consent of the Members is sought for approval of the aforesaid appointment of the Secretarial Auditors.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board, based on the recommendation of the Audit Committee, recommends the approval of the Members for appointment of Secretarial Auditors and passing of the Ordinary Resolution set out at Item No. 7 of this Notice.

Item No. 8: Consider and Approve General Related Party transactions:

The Company is an integrated logistics services provider engaged in the businesses of sea transportation, logistics services and oilfields services. The Company in the ordinary course of its business provides Consultancy services to M/s. Essar Shipping DMCC and M/s. Essar Investment Holdings Mauritius Limited for the operation of Wildcat and Jack up rig.

Further the Company pays Ticket charges to M/s. Futura Travels Limited for all the ticket bookings of the employees of the Company which is required to be done. The Company also have receivables from M/s. Essar Shipping DMCC.

All are Related Parties of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the LODR Regulations.

The applicable provisions of Regulation 23 of the LODR Regulations, mandates prior approval of shareholders of a listed entity by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the Company and at an arm's length basis. Further, with effect from April 1, 2022, the shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) Rs 1,000 crore; or (ii) 10% of the Extra ordinary consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Thus, in terms of Section 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015, these transactions would require the approval of the members by way of an Ordinary Resolution. All related party transactions of the Company and its Subsidiaries are at arm's length and in the ordinary course of business.

All related party transactions of the Company and its Subsidiaries and associates are at arm's length and in the ordinary course of business.

Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee. All related party transactions have been unanimously approved by the Audit Committee after satisfying itself that the related party transactions are at arm's length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals. The related party transactions between the Company and its Indian subsidiaries and between the Indian subsidiaries and their related parties are also approved by the audit committees of the respective subsidiaries (wherever applicable), consisting of majority of independent directors. Further, the transactions entered earlier are being ratified in accordance with the approval of the Members of the Company.

The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and the material related party transactions for which the approval of the shareholders is being sought fall into the following categories:-

1. Transactions between the Company and related parties:
    a. Transactions between the Company and Associate namely, Essar Investment Holdings Mauritius Limited, Futura Travels Limited, Equinox Realty Holdings Ltd., Mauritius, Black Box Limited, Essar Steel Metal Trading Limited
    b. Transactions between the Company and its Subsidiaries namely, OGD Services Holdings Limited, Essar Shipping DMCC, Dubai
    c. Transaction between the Company and the Holding company namely, IDH International Drilling Holdco Limited
    d. Transaction with Provident Fund Trust namely, Essar Shipping Limited Employees Provident Fund
2. Transactions between Subsidiaries/Associates of the Company:
    a. Transactions between Essar Shipping DMCC, Dubai and Equinox Reality Holdings Limited (ERHL), Essar Shipping DMCC and Gargnano, S.A. de C.V., Essar Shipping DMCC and Energy II Limited

    The approval of the shareholders pursuant to Resolution No. 8 is being sought for the following related party transactions / contracts / agreements / arrangements set out in Table respectively.

    The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 ("SEBI Circular") are set forth below:

1. Transactions between the Company and Related Parties
    a. Transactions between the **Company and Associate namely**, Essar Investment Holdings Mauritius Limited,

Futura Travels Limited, Mauritius, Black Box Limited, Essar Steel Metal Trading Limited.

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Futura Travels Limited** is an associate of the Company.	**Essar Investment Holdings Mauritius Limited (EIHML)** is an associate of the Company.	**Black Box Limited** is an associate of the Company.	**Essar Steel Metal Trading Limited** is an associate of the Company.	**Essar Steel Metal Trading Limited** is an associate of the Company.
Name of the director or key managerial personnel who is related, if any and nature of relationship	None	None	None	None	None
Nature, material terms, monetary value and particulars of contracts or arrangement	Ticket charges	Sale of shares of Subsidiaries	IT and Software charges	Interest on loan	Repayment of loan
Value of Proposed Transaction	As mentioned in the Resolution	As mentioned in the Resolution	As mentioned in the Resolution	As mentioned in the Resolution	As mentioned in the Resolution
Tenure of the proposed transaction	12 months from the date of approval	12 months from the date of approval	12 months from the date of approval	12 months from the date of approval	12 months from the date of approval
Percentage of Extra ordinary consolidated turnover considering FY 2024-25 as the immediately preceding financial year	5.07%	9746.59%	4.87%	46.78%	80.41%
Justification for the transaction	For Business Purpose	For Business Purpose	For Business Purpose	For Business Purpose	For Business Purpose
Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	NA	NA	NA	NA	NA
i. details of the source of funds in connection with the proposed transaction	NA	NA	NA	NA	NA
ii. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	NA	NA	NA	NA	NA

applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	NA	NA	NA	NA	NA
the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA	NA	NA	NA	NA
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	NA	NA	NA	NA	NA
Percentage of the counter-party's Extra ordinary consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	NA	NA	NA	NA	NA
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

b. Transaction with **subsidiary companies** namely Essar Shipping DMCC, Dubai

Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Essar Shipping DMCC, Dubai** is a Wholly Owned Subsidiary of the Company
Name of the director or key managerial personnel who is related, if any and nature of relationship	None
Nature, material terms, monetary value and particulars of contracts or arrangement	i) Receipt against receivables ii) Payable against Trade Advances
Value of Transaction	as mentioned in the resolution
Percentage of Extra ordinary consolidated turnover considering FY 2024-25 as the immediately preceding financial year	Amount of total income = Nil (0%)
Tenure of the proposed transaction	12 months from the date of approval
Justification for the transaction	For Business purpose
Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	NA

details of the source of funds in connection with the proposed transaction	NA
where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	NA
applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	NA
the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	NA
Percentage of the counter-party's Extra ordinary consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	NA
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

c. Transaction with **Provident Fund Trust** namely, Essar Shipping Limited Employees Provident Fund

Details of summary of information provided by the Management to the Audit Committee	
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Essar Shipping Limited Employees Provident Fund** is the Provident Fund Trust of the Company.
Name of the director or key managerial personnel who is related, if any and nature of relationship	None
Nature, material terms, monetary value and particulars of contracts or arrangement	Contribution to PF trust for office staff
Value of Transaction	As mentioned in the resolution
Percentage of Extra ordinary consolidated turnover considering FY 2024-25 as the immediately preceding financial year	NA
Tenure of the proposed transaction	12 months from the date of approval
Justification for the transaction	For Business purpose
Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	NA
i details of the source of funds in connection with the proposed transaction	NA
ii where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	NA

iii applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	NA
iv the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	NA
Percentage of the counter-party's Extra ordinary consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	NA
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

2. Transactions between Subsidiaries/Associates of the Company:

   a. Transactions between Essar Shipping DMCC, Dubai and Equinox Reality Holdings Limited (ERHL), Essar Shipping DMCC and Gargnano, S.A. de C.V., Essar Shipping DMCC and Energy II Limited

Details of summary of information provided by the Management to the Audit Committee			
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Essar Shipping DMCC, Dubai** is a Subsidiary of the Company. Equinox Reality Holdings Limited is an associate of the Company.	**Essar Shipping DMCC, Dubai** is a Subsidiary of the Company. Gargnano, S.A. de C.V. is an subsidiary of Essar Shipping DMCC.	**Essar Shipping DMCC, Dubai** is a Subsidiary of the Company. Energy II Limited is an associate of Essar Shipping DMCC.
Name of the director or key managerial personnel who is related, if any and nature of relationship	None	None	None
Nature, material terms, monetary value and particulars of contracts or arrangement	₹ 880 crores	₹ 32 crores	₹ 88 crores
Value of Transaction	Amount mentioned in the resolution for corresponding period	Amount mentioned in the resolution for corresponding period	Amount mentioned in the resolution for corresponding period
Percentage of Extra ordinary consolidated turnover considering FY 2024-25 as the immediately preceding financial year	~9053%	~293%	~858%
Tenure of the proposed transaction	12 months from the date of approval	12 months from the date of approval	12 months from the date of approval
Justification for the transaction	For Business purpose	For Business purpose	For Business purpose
Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Essar Shipping DMCC, Dubai to borrow upto USD 108 mn from Equinox Reality Holdings Limited (ERHL) for repayment of Trade Receivables of Essar Shipping Limited and may convert the said borrowing into Equity or any kind of securities	Essar Shipping DMCC, Dubai to lend upto USD 3.5 Mn to Gargnano, S.A. de C.V. and may convert the said loan given into Equity or any kind of securities	Essar Shipping DMCC, Dubai to borrow upto USD 10 mn from Energy II Limited (E2L) for further repayment of its borrowings

listed entity or its subsidiary:	Essar Shipping Limited and may convert the said borrowing into Equity or any kind of securities	given into Equity or any kind of securities	
ii where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	NA	NA	NA
iii applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	NA	NA	NA
iv the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	NA	NA	NA
A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	NA	NA	NA
Percentage of the counter-party's Extra ordinary consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	NA	NA	NA
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

The monetary value of the transactions proposed is estimated on the basis of the Company's current transactions and future business.

The Board is of the opinion that the transactions referred in the resolution would be in the best interest of the Company. The Board accordingly recommends the Ordinary Resolution at Item No. 8 of the accompanying notice for your approval.

Pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") and Section 188 of the Companies Act, 2013, all related parties shall abstain from voting on such resolution.

None of the Directors, Key Managerial Personnel, their associates and their relatives (to the extent of their shareholding in the Company, if any) are concerned or interested, financially or otherwise, in the resolutions set forth in Item No. 8 of this Notice, except to the extent of their shareholding in the Company, if any.

By Order of the Board

Sd/-

Bharat Modi

Company Secretary and Compliance Officer

Place: Mumbai,

Date: 13th August, 2025

Registered Office:

Essar Shipping Limited
EBTSL Premises, ER-2 Building (Admin. Building),
Salaya, 44 KM, P.O. Box No. 7, Taluka Khambhalia,
Devbhumi Dwarka, Gujarat - 361 305
CIN: L61200GJ2010PLC060285

ANNEXURE TO AGM NOTICE

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of the Director	Ms. Raichel Mathew (DIN: 09625593)	Mr. Ketan Shah (DIN: 02481491)
Age	61 years	55 years
Date of Birth	31/03/1964	13/04/1970
Date of first appointment in the current designation	08/09/2022	29/05/2025
Qualifications	A commerce Graduate from Mumbai University	A Cost Accountant from ICWAI and a B.com graduate from Lala Lajpatrai Collage.
Brief Resume of the Director	She joined Essar Group in 1986 and has more than 36 years of experience within the group in various roles responsibilities. She has experience in fleet personal payroll like floating staff officers and Crew Salary accounting, Accounting of Master disbursement statements, Reconciliation of Officers and Crew Employee account, Reconciliation of Manning agent account. During her tenure she also handled customer accounting (Receivable) SD Module. Her work mainly included vendor Accounting (Payable) -SAP Module, accounting of NPO and PO invoices, Accounting of payment entries, Vendor account reconciliation, Bank reconciliation, handling General accounting, Vendor clearing etc.	Mr. Ketan Shah is a seasoned Finance & Accounts professional and brings with him over 35 years of experience in corporate finance with significant tenure in the Steel Industry in strategic, planning and operational roles. Mr. Shah is associated with the Essar Group for nearly three decades in various roles and capacities. Prior to this, he was the Chief Financial Officer of Essar Shipping Ltd. During his tenure, he was responsible for the activities related to Finance, Accounts, Tax and Secretarial functions. He was part of leadership team of the business which took up and executed successfully the task of monetization of the assets and repayment of the liabilities of business at the most opportune time. His dynamic leadership and expertise in financial management have been instrumental in driving the business. Prior to Essar Shipping Limited, he was working with Essar Steel India Ltd. until 2018 as a Vice President Treasury and he played a vital role in setting up of Working Capital limits for the company from a consortium of Banks, managing these limits, improving liquidity of the company, optimizing the cost of borrowings, fund management, etc. Mr. Ketan Shah is a Cost Accountant from ICWAI and a B.com graduate from Lala Lajpatrai Collage.
Expertise in specific functional area	She has diverse experience fleet personal payroll like floating staff officers and Crew Salary accounting, Accounting of Master disbursement statements, Reconciliation of Officers and Crew Employee account, Reconciliation of Manning agent account.	Mr. Ketan Shah is a seasoned Finance & Accounts professional and brings with him over 35 years of experience in corporate finance with significant tenure in the Steel Industry in strategic, planning and operational roles.
Skills and capabilities required for the role and the manner in which the Directors meet the requirements	NA	NA

Terms and conditions of appointment including remuneration sought to be paid	NA	Mr. Ketan Shah is Proposed to be appointed as a Non-executive Director, liable to retire by rotation.
Shareholding in the Company	NA	NA
Directorships in other Companies	NA	1. Essar Steel Limited – Additional Director 2. Essar Minmet India Limited - Additional Director 3. Essar Minmet Limited - Director
Memberships/ Chairmanship of Committees of other companies	NA	NA
Inter-se relationship between Directors and other Key Managerial Personnel	Not related to any Director /Key Managerial Personnel	Not related to any Director /Key Managerial Personnel
Number of Meetings of the Board attended during the year	6 (Six)	NA
Details of remuneration last drawn	As per the policy of the Company	As per the policy of the Company

DIRECTORS' REPORT

To the Members of Essar Shipping Limited

Your Directors are pleased to present the Fifteenth Annual Report and Audited Financial Statements of the Company for the financial year ended March 31, 2025.

FINANCIAL HIGHLIGHTS:

The Company's financial performance, for the year ended March 31, 2025 is summarized below: -

Particulars				₹ in Crore
	Consolidated		Standalone	
	For the year ended 31-03-2025	For the year ended 31-03-2024	For the year ended 31-03-2025	For the year ended 31-03-2024
Total Income	247.34	82.61	313.29	50.12
Total Expenditure	161.09	200.70	98.22	70.02
EBITDA	187.56	(4.61)	292.15	27.79
Less: Interest & Finance charges	100.55	81.39	76.32	46.95
Less: Provision for Depreciation	0.76	32.08	0.76	0.74
Profit / (Loss) before Tax	86.25	(118.08)	215.06	(19.90)
Less: Provision for Tax	-	0.83	-	0.83
Profit / (Loss) for the year before share of profit of associate	86.25	(117.25)	215.06	(19.07)
Add: Exceptional item	570.32	12.94	156.05	(51.28)
Add: Share of profit of associate	3.51	(0.00)	-	-
Add: Other Comprehensive Income/ loss	(0.17)	(0.41)	(0.17)	(0.41)
Profit / (Loss) for the year	659.91	(104.73)	370.95	(70.76)

PERFORMANCE REVIEW:

The Key Highlights of the Company's performance (Standalone) for the year ended March 31, 2025 are as under:

1. Net Revenue from operations recorded at ₹ 20.50 Crore as against revenue of ₹ 15.76 Crore in the previous financial year.
2. Net Profit recorded at ₹ 370.95 Crore as against last year's Net loss of ₹ 70.76 Crore

   The management is optimistic for its future performance and will endeavors all its efforts to keep the organization as profitable concern.

DIVIDEND

In view of accumulated losses from the previous financial years and with a view to conserve the resources, your Board of Directors have not recommended any dividend for the year ended 31st March, 2025.

CHANGE IN THE NATURE OF BUSINESS ACTIVITIES:

During the year under review, there was no change in the nature of the business activities of the Company.

AMOUNT TRANSFERRED TO RESERVE:

The Company has not transferred any amount to any Statutory or general reserves during the Financial Year ended 2024-25.

MATERIAL CHANGES AND COMMITTEMENTS

No material changes and commitments, affecting the financial position of the Company, have occurred between the end of the financial year of the Company and the date of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

OILFIELD BUSINESS

A. **GLOBAL INDUSTRY OUTLOOK**

   Oil Industry is one of the largest industry across the world. All major economies are highly dependent on oil industry for energy needs. The global supply/demand is going to see only a marginal increase in coming years as the shift to green energy has been gaining pace among high oil demanding nation. The industry has seen lesser activity as the oil prices has been less volatile in last few years. IEA estimates lowered growth estimates for demand increase of 2.5 mb/d till 2030 to reach 105.5 mb/d and supply too have seen lowered estimates with expected raise by 5.1 mb/d to 114.7 mb/d by 2030. In most of the countries national oil companies are the major player and they contribute significantly in their domestic industries. The industry can be broken down into three key areas:

- Upstream;
- Midstream; and
- Downstream

The largest volumes of products of the Oil and Gas industry are fuel oil and gasoline (petrol). Petroleum is the primary material for a multitude of chemical products, including pharmaceuticals, fertilizers, solvents and plastics. Petroleum is therefore integral to many industries, and is of critical importance to many nations as the foundation of their industries.

As of July 28, 2025, WTI crude oil is trading around $65/bbl, with the average for Q2 2025 at approximately $64.78 and June 2025 around $68.17. The stabilization of prices over last few quarters with on-going geopolitical volatility attributed to global economic uncertainties, shifts in trade dynamics, and change in axis of oil supplier. While prices had exceeded $70 in 2024 and early 2025, they have softened slightly in mid-2025 compared to the previous year.

This recovery and sustained price level have resulted from a few key factors:

- **OPEC+ production restraint:** The production agreement between OPEC and non-OPEC countries remains in force, with significant group-wide output cuts extended through the end of 2025 to support market stability.
- **Phased voluntary cuts:** OPEC+ decided to gradually phase out additional voluntary cuts starting in April 2025, in response to market fundamentals and oil inventories, allowing for increased flexibility as they monitor and respond to evolving market conditions.
- **Global supply and demand balancing:** Although non-OPEC+ producers are increasing supply, the overall consensus among major exporters remains focused on managing output to avoid oversupply and support prices.

B. <u>RIG MARKET OUTLOOK</u>

- **Rig Market Conditions:** Rig Market Conditions for semi-submersibles have shown mixed signals in 2024-25: While demand has remained relatively stable, contracting activity has experienced a notable slowdown with just a handful of new dayrates recorded since January 2024. The market has been characterized by increased attrition of older units, with seven vintage semi-submersibles removed from the active fleet during 2024 (average age 43.6 years), followed by three additional retirements in early 2025 with a much lower average age of 13.3 years. This trend reflects market adjustments to lower demand expectations continuing into 2025 and early 2026.
- **Rig Demand:** Rig Demand for semi-submersibles has faced headwinds in 2024-25: Global committed marketed utilisation decreased by 3 percentage points to 78% at the end of 1Q 2025 versus the previous quarter, primarily driven by reduced contracting activity. The slowdown in semi-sub award activity has been evident throughout the year, with only nine fixtures made during 1Q 2025, adding six years of semi-sub work backlog. Regional demand patterns show Norway maintaining strong performance with 65% of new awards, while other regions including Australia, Egypt, the UK, US and Trinidad and Tobago account for the remainder.
- **Global Rig Deployment:** Global Rig Deployment for semi-submersibles has remained relatively stable but with regional variations: The global marketed semi-sub supply stood at 76 units at the end of March 2025, unchanged from the previous quarter. The North Sea semi-sub segment closed 1Q 2025 with marketed committed utilisation at 81%, representing a two-percentage point decrease compared to the previous quarter. In Southeast Asia and Australia, nine semi-submersibles were operating at the end of 1Q 2025, with committed marketed utilisation at 63.1%, showing six out of nine available units committed for work.
- **Rig Availability:** Rig Availability has been impacted by strategic fleet management decisions: The active fleet has been reduced through increased scrapping of vintage units, with market reports indicating a noticeable increase in attrition of older semi-submersibles. The retirement of units has been accelerated in response to lower demand in 2024, with the trend expected to continue into 2025 and early 2026. This strategic reduction in supply through scrapping has helped maintain utilisation levels despite softer demand conditions, particularly as North Sea demand has dwindled.
- **Rig Dayrates:** Rig Dayrates have shown regional disparities with Norway leading premium pricing: Norway continues to command consistently high and continually increasing dayrates, with the average for the second half of 2024 reaching $443,000, supported by technologically advanced harsh-environment

semi-submersibles (mostly 6th generation harsh-environment units). West African average dayrates remained strong at $415,000 in H2 2024, though based on limited activity with just one fixture. South America recorded two new mutually agreed dayrate fixtures during the period - a 400-day Brazilian fixture at $325,000 and a 200-day fixture off Suriname. However, the UK recorded no new fixtures during the second half of 2024, with demand remaining sluggish, reflecting the challenging market conditions in certain regions.

- **Summary:** The semi-submersible offshore drilling rig market in FY 2024–2025 has been characterized by regional concentration of demand, limited contract awards, and accelerated fleet attrition. While dayrates remain strong in premium markets like Norway, overall global utilization has declined, reflecting a slowdown in contracting activity and ongoing fleet rationalization. The outlook remains cautiously optimistic, supported by harsh-environment and deepwater project development, but near-term challenges around limited new work and competitive pricing pressures persist.

C. ROAD AHEAD

Rapid economic growth among emerging nations is leading growth in excess demand, while major economies had curtailed oil demand growth. The crude oil consumptions revised estimates were lowered for FY 26 by IEA and other major oil observer citing increased production paired with lowered demand projection. In April, J.P. Morgan Research lowered its Brent price forecast to $66/bbl for 2025 and $58/bbl for 2026, indicating persistent weaker demand in spite of major oil policy changes. The supply pressure is further to be accentuated by Saudi Arabia decisions to utilize their OPEC+ supply quota in response of growing market share of US WTI crude. The major increase in oil production will be observed by non-American OECD nations.

In terms of barrels, IEA forecasts India's oil consumption to rise by 1 mb/d in FY24-30 period which is half of the total increase in demand by Asian economies. The annual CAGR is set to be 2.8% reaching 6.7 mb/d in 2030 from 5.8 mb/d in 2025.

The Indian oil constituents' growth is dependent on multiple oil products; Gasoline and diesel will lead the surge, growing at 4.0% and 3.3% CAGR respectively, while jet fuel demand rebounds post-covid crash at 5.6% amid expanding air travel. LPG consumption grows moderately, reflecting continued household and petrochemical use. In contrast, demand for naphtha, residual fuel oil, and other products remains flat, signaling a gradual shift away from industrial and heavy fuel reliance. The country's energy profile continues to evolve alongside economic growth and mobility trends.

Natural Gas consumption is forecast to increase at a CAGR of 12.2% to 550 MCMPD by 2030 from 174 MCMPD in 2021.

India is looking to aggressively increase the total capacity of domestic refinery and throughput ratios. The IEA estimates, the total capacity of refinery in 2024 was 5.8mb/d which will grow by 17.24% to 6.8 mb/d. The comparative global refinancing capacity will increase by 2.36% to 108.3 mb/d in 2030.

Energy demand of India is anticipated to grow faster than energy demand of all major economies globally on the back of high capital investment through FPIs and public investment fueling domestic demand.

As per PIB reports, the country's share in global primary energy consumption is projected to double by 2035. Our current global share is 6% which is set to be contributing to 12% in 2035. Currently, we are capturing 25% of the newly created oil consumption demand along the rapid expansion of renewables capacity in last 10 years.

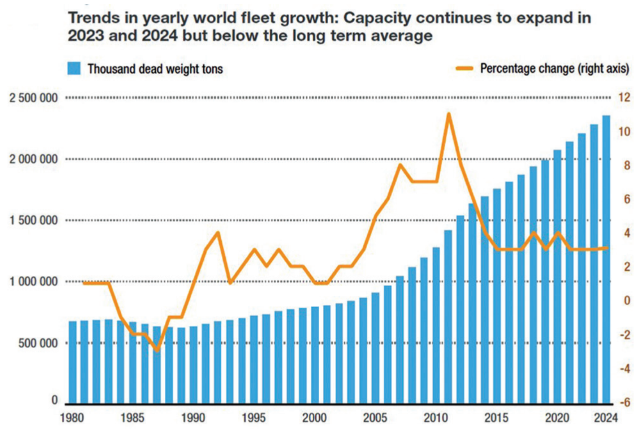
Overview of the World Economy & Shipping Industry

Global maritime trade outperformed expectations in 2023 due to easing pressures on the global economy and better-than-expected economic performance in large economies. Global maritime trade in terms of ton-miles is estimated to have grown by 4.2 per cent in 2023—faster than trade in tons—due to shifts in trade patterns from the ongoing impacts of the war in Ukraine, the disruptions in the Red Sea and reduced water levels in the Panama Canal, all of which extended ship journeys and distances. These shifting trade patterns remain in focus.

UNCTAD forecasts maritime trade volume to expand by 2 per cent in 2024 driven by increased demand for major bulks such as bauxite, coal, containerized goods, grain, iron ore and oil. However, geopolitical tensions and the growing severity and frequency of extreme weather events add to the underlying threats and vulnerabilities that could persist into 2025 and beyond.

Developments in the global shipping fleet

In 2023, fleet capacity grew faster than maritime trade volumes; longer routes helped absorb surplus capacity. At the start of 2024, the global fleet was made up of around 109,000 vessels . Fleet growth was uneven in 2023 with container ship capacity jumping by nearly 8 per cent and that of liquefied gas carriers growing by 6.4 per cent. Tanker growth remained low, expanding by less than 2 per cent. The world's total fleet capacity reached about 2.4 billion dead weight tons, with bulkers making up 42.7 per cent and oil tankers 28.3 per cent of the total.



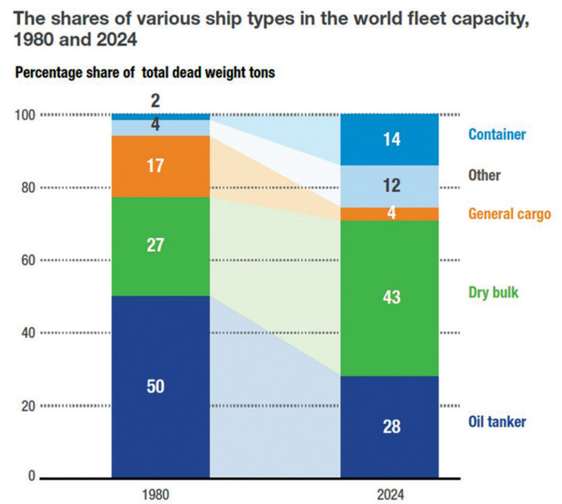
Source: UNCTAD calculations, based on data from Clarksons Research Shipping Intelligence Network.

Fleet capacity growth is projected to grow at a similar rate in 2024 (by 3.4 per cent) and decelerate to 2.7 per cent in 2025 (Clarksons Research, 2024b). This slowdown reinforces the trend of recent years while also reflecting a low order book, long lead times at shipyards, higher newbuilding prices, and a strong secondhand market. In 2023 and the first half of 2024, the supply of ship capacity and vessel utilization were shaped by system inefficiencies and new opportunities to deploy fleet capacity arising from ongoing supply chain disruptions and rerouting. An example is the use of "shadow" fleets (particularly in tankers) amplified by the continued war in Ukraine and reinforced by latest disruptions. This trend has extended the service life for existing ships, boosted ship sales and purchases, increased second-hand prices, slashed ship demolition levels and motivated some investments in new built vessels. In 2023, China, the Republic of Korea and Japan continued to dominate the shipbuilding market with these three countries accounting for about 95 per cent of the global output. This was the first time that China delivered more than 50 per cent of the world's new ship capacity. The Republic of Korea contributed 28.2 per cent and Japan contributed 14.9 per cent. At the start of 2024, the global ship order book represented 12 per cent of dead weight tonnage, totaling 4,870 vessels and 283 million tons. In terms of value, the order book reached 405.5 billion in June 2024, marking a 20.7 per cent increase from the same period in 2023. LNG carriers averaged 27 per cent of fleet capacity in 2022, nearly 50 per cent in 2023 and over 51 per cent in the first quarter of 2024.

While impressive, the highest LNG carriers order book-to-fleet-capacity ratio was recorded in 2006 (88 per cent). Liquefied petroleum gas (LPG) carriers have also attracted more orders, with a share of approximately 23 per cent in 2023.

This reflects expectations that LPG carriers and vessels designed to run on ammonia (NH_3 vessels) will be capable of transporting ammonia as an alternative fuel. Although the fuels of the future remain uncertain, the greening of the global order book is under way. This includes orders for ships that can use multiple types of fuel and those equipped with dual fuel capabilities, allowing them to use more than a single fuel type.

Regulatory measures to combat climate change increased in 2023. The European Union introduced the ETS scheme and compliance with the requirements of the International Maritime Organization (IMO) relating to the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII) became mandatory. IMO also adopted its 2023 IMO Strategy on Reduction of GHG Emissions from Ships, which strengthened targets for shipping by aiming for net-zero emissions by 2050. In the context of growing decarbonization commitments, as well as a relatively moderate order book and restrained investment in new builds, global fleet renewal is emerging as a key theme. The global shipping fleet is ageing, with many ships soon due to reach the end of their service.



Source: UNCTAD calculations, based on data from table II.1 of this report and UNCTAD statistics.

Outlook

The landscape of international maritime trade has undergone significant transformations, particularly in the light of recent global disruptions and evolving geopolitical dynamics. The global economy faces numerous challenges that could impact medium-term growth prospects. Persistent inflation, particularly in the services sector, makes it more difficult to normalize monetary policies, with central banks cautious about easing too quickly. Inflationary pressures are expected to remain high in several regions. High public debt levels in many economies, combined with elevated borrowing costs, constrain fiscal space and limit the ability of Governments to respond to economic shocks.

Conversely, upside opportunities include the expansion of green energy and artificial intelligence-related product sectors, as well as potential interest rate cuts in major economies that could boost trade. Maintaining a balance between immediate priorities and long-term sustainability and resilience goals will be essential for the continued growth and stability of international maritime trade.

ESSAR SHIPPING OPERATIONS & BUSINESS DEVELOPMENT

The company is continuously monitoring the market to enter into purchase of assets and operations thereby. Currently the company owns a Tug that is employed with for a long term charter of at market rates. The company is also looking for opportune time to acquire ships from the market.

The Company entered into Management Service Agreement (MSA) with one of its wholly owned subsidiary (WOS) and with a group company for providing back office support services which include Financial transactions processing and Financial support services, Procurement and sourcing services and Human resource management. The Company is charging fixed monthly fees against the services provided to those companies in line with the shareholders' approval vide resolution dated 29-09-2023. The aforementioned MSA contracts has been terminated during 1st quarter of FY 2025-26.

SUBSIDIARIES & ASSOCIATES

Your Company has two direct subsidiaries and one step-down subsidiary & one overseas step-down subsidiary. OGD Services Holdings Limited, Mauritius, and Essar Shipping DMCC are direct subsidiaries of the Company. OGD Services Limited, India is the step down subsidiary of the Company. Your company also holds jointly majority of stake in DrillXplore Services Private Limited with its wholly owned subsidiary OGD Services Holdings Limited.

Energy II Limited cease to be the associate Company w.e.f December 25, 2024 and residual investments in Energy II Limited has been sold during quarter one of FY 2025-26.

A report on the performance and financial position of each of the subsidiaries and associates companies as per the Companies Act, 2013 is provided as **Annexure F** to this report and hence not repeated here for the sake of brevity. The Policy for determining material subsidiaries as approved by the Board is available on Company's website Essar Shipping Limited - Essar

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Indian Accounting Standard (IND-AS) - 110 on Consolidated Financial Statements read with IND-AS-28 on Accounting for Investments in Associates, the audited Consolidated Financial Statements are provided in the Annual Report. The audited Consolidated Financial Statements together with Auditors' Report thereon form part of the Annual Report.

The one step down subsidiary, one associate and one jointly controlled entity not considered for Consolidation process. The step down subsidiary admitted to NCTL and gone into liquidation and one associate and one jointly controlled entity was held by step down subsidiary, which has gone into liquidation. Hence, the share of profit / (loss) for the quarter and year ended March 31, 2025, has not been included in the Consolidated Financial Statements of the Company.

The Financial Statements of one step down subsidiary (which has been admitted to NCLT and gone into liquidation) have not been consolidated.

In case of an associate, which ceased to be an associate w.e.f. December 26, 2024, the share of profit / (loss) of ₹ 3.51 Crore for the period April 1, 2024 to December 25, 2024 , has been considered for consolidation.

HUMAN RESOURCE

Your Company believes that employee competence and motivation are necessary to achieve its business objectives. ESL has undertaken many training initiatives to enhance technical and managerial competence of the employees. ESL has even undertaken a series of initiatives to enhance emotional and intellectual engagement of employees.

Essar Radio: Used as a key medium to communicate important updates about the different projects that were going on at different sites. Leaders from every location including founders took the opportunity to connect with employees, discussing the strategies about how they aim to overcome the hurdles without hampering or jeopardising business timelines and also taking care of safety of the employees.

Manpower Optimization: As we believe in working in open mind culture, we do take care of employee's wellbeing and skill set. As an integral part of manpower planning, the company effectively places the employees within the other business entity and assigned them roles equivalent to their skill sets, rather than closing their employment/contract.

In addition to the above mentioned initiatives, engagement programs like Health webinars, Yoga classes, and online counselling programme were also conducted. This transformation made it possible to scale learning efforts in a more cost-effective way and permits greater engagement during the locked in scenarios. Hence, initiatives like these taken during the year helped employees and their families to stay motivated and healthy.

The Company has policies on code of conduct, sexual harassment of women at workplace, whistle blower, corporate governance, insider trading etc. guiding the human assets of the Company. For the year under review, there was no instance of the sexual harassment reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE WITH THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and Redressal of such complaints.

The Company has complied with the provisions relating to Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act of 2013. The Company has not received any complaint of sexual harassment at workplace during the year.

The below table provides details of complaints received/ disposed during the financial year 2024-2025:

Number of complaints filed during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending for more than 90 days	NIL

DIRECTORATE AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company provide entrepreneurial leadership and plays a crucial role in providing strategic supervision, overseeing the management performance, and long-term success of the Company while ensuring sustainable shareholder value. Driven by its guiding principles of Corporate Governance, the Board's actions endeavor to work in the best interest of the Company.

The Directors hold a fiduciary position, exercises independent judgment, and plays a vital role in the oversight of the Company's affairs. Our Board represents a tapestry of complementary skills, attributes, perspectives and includes individuals with financial experience and a diverse background.

DIRECTORS

During the year under review there were no changes in the Board of Directors of the Company except the following:

1. Ms. Raji Chandrasekhar have tendered her resignation from the post of Independent Director with effect from closing hours of May 28, 2024;

2. Mr. Vipin Jain was appointed as a Whole-Time Director of the Company with effect from May 28, 2024.

As per Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015, Board of top 2000 listed entities w.e.f. April 01, 2020 shall comprises of at least six Directors, as such, on March 31, 2025, there were six directors on the Board of Company with Independent Director as Chairman of the Board.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-Section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 (b) (iv) of SEBI (LODR) Regulations, 2015.

Pursuant to Sections 134 and 178 of the Act and the Regulations 17 and 19 of the Listing Regulations, Nomination and Remuneration Committee ('NRC') has set the policy for performance evaluation of Independent Directors, Board, Committees and other individual directors; separate meeting of Independent Directors; familiarization programme for Independent Directors, etc. is provided under Corporate Governance Report annexed with this Report and the relevant policies are also available on the website of the Company Essar Shipping Limited - Essar

Based on the criteria set by NRC, the Board has carried out the annual evaluation of its own performance, its committees and individual Directors for FY 2024-2025. The questionnaires on performance evaluation were prepared in line with the Guidance Note on Board Evaluation date January 5, 2017, issued by SEBI

The performance of the Board and Individual Directors were evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board taking input from all the Committee members. NRC reviewed the performance of individual Directors, separate meetings of Independent Directors were also held to review the performance of Non-Independent Directors and performance of the Board as the whole. Thereafter, at the board meeting, performance of the Board, its committees and individual Directors was discussed and deliberated.

Further the evaluation of the Independent Directors was done by the entire board of directors of the Company. Their evaluation included performance of directors and fulfillment of the Independence criteria as specified in these regulations and their independence from the management.

KEY MANAGERIAL PERSONNEL

In terms of section 203 of the Companies Act, 2013, As on March 31, 2025 the Key Managerial Personnel of the Company are Mr. Rajesh Desai, Executive Director, Mr. Vipin Jain, Chief Financial Officer and Ms. Rachana H Trivedi, Company Secretary & Compliance Officer.

Further during the period under review, Ms. Rachana H Trivedi, tendered her resignation on March 22, 2025 from the post of Company Secretary w.e.f. close of business hours of March 31, 2025 and simultaneously, Mr. Bharat Modi is appointed as a Company Secretary & Compliance Officer w.e.f. April 01, 2025 at the Board Meeting held on March 31, 2025.

BOARD MEETINGS

During the year ended March 31, 2025, 6 (Six) meetings of the Board were held 6 times, that is on May 28, 2024, June 08, 2024, August 8, 2024, November 13, 2024, February 04, 2025, March 31, 2025.

COMMITTEES OF THE BOARD

Currently the Board has 5 Committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Share Transfer Committee and Corporate Social Responsibility Committee.

A detailed note on the composition of the Board and its Committees and other related particulars are provided in the

Report of Directors on Corporate Governance forming part of this Annual Report.

CHANGES IN SHARE CAPITAL

There was no change in the Share Capital during the year under review.

The Stock Exchanges have rejected the application for Reclassification of M/s. Imperial Consultants & Securities Limited from Promoters category to Public category. Further, the Company would be applying with fresh application to both the Stock Exchanges.

Further during the period under review, the company has issued and allotted Non-Convertible Debentures as follows:

1. 2,50,00,000, 1% Unsecured, Redeemable, Unlisted, unrated, Non-Convertible Debentures to M/s. Essar Steel Metal Trading Limited;
2. 2,50,00,000, 8.25% Secured, Redeemable, Unlisted, Non-Convertible Debentures to M/s. Abhinand Ventures Private Limited;
3. 6,00,00,000, 1% Secured, Redeemable, Unlisted, Non-Convertible Debentures to M/s. Abhinand Ventures Private Limited

Further, during the under review, 1% 3,20,00,000 unlisted debentures issued on 13 December 2023 were fully redeemed by the company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards had been followed and there are no material departures from the same;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the of the Company for the year ended on that date;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis. The auditors have expressed an emphasis of matter on Going Concern in their Consolidated Audit Report relating to a step down subsidiary.

(e) the Directors, had laid down internal financial controls followed by the Company and that such internal financial controls are adequate and were operating effectively as endorsed by Statutory Auditor in their separate report annexed to the Annual Report

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

Your Company has a Risk Management Policy that outlines the framework and procedures to assess and mitigate the impact of risks, and to update the Board and the senior management on a periodical basis on the risk assessed, actions taken for mitigation and efficacy of mitigation measures. With efficient Risk Management Framework, your Company managed:

(a) Economic Risks by entering into long term contracts with reputed global majors in each of its divisions thereby ensuring long term profitability of the Company and assured cash flows;

(b) Interest Rate Risk by undertaking suitable hedging strategies to overcome any adverse interest rate risks. It has formulated internal target rates at which any open interest rate risk can be hedged;

(c) Control over the operational matrix of various vessels to reduce cost and reduce downtime of vessels; and

(d) Control over various OPEX cost of the organization.

As per LODR, Regulation 2015, Risk Management Committee is required to be constituted by top 1000 Companies based on market capitalisation, since your Company does not fall in that category, the constitution of Risk Management Committee is not required for your company. However, Company do believe and had put best efforts to minimise/mitigate the risk.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has a well-established framework of internal operational and financial controls, including suitable monitoring procedure systems which are adequate for the nature of its business and the size of its operations. The detailed report is given in Corporate Governance Report. Based on the performance of the internal financial control, work performed by internal, statutory and external consultants and reviews of Management and the Audit Committee, the board is of the opinion that the Company's internal financial controls were effective and adequate during the FY 2024-2025 for ensuring the orderly efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records and timely preparations of reliable financial disclosures.

VARIATION IN THE PROJECTED UTILIZATION OF FUNDS:

During the period under review, company issued and allotted Non-Convertible Debentures (NCDs) worth ₹1100 Crores by converting existing inter-corporate deposits (ICDs) into NCDs.

Hence there was no variation in the utilization of funds.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of corporate governance and has put in place an effective corporate governance system. The Company has complied with all mandatory provisions of SEBI (LODR) Regulations 2015, relating to Corporate Governance. A separate report on Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015 forms part of this Report. The requisite certificates from the Auditors of the Company regarding compliance with the conditions of corporate governance are attached to the report on Corporate Governance.

VIGIL MECHANISM

The Company is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 and Regulation 22 of the Listing Regulations established Vigil Mechanism by adopting the 'Whistle Blower Policy', for Directors and Employees. The Whistle Blower Policy provides for adequate safeguards against victimization of persons who use such mechanism and have provision for direct access to the Chairperson of the Audit Committee in appropriate cases. A copy of the Whistle Blower Policy is available on the website of the Company Essar Shipping Limited - Essar

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of the following members:

Sr. No	Name of Member	Designation
1.	Mr. Sunil Modak	Chairman
2.	Mr. Rajesh Desai	Member
3.	Ms. Raichel Mathew	Member

Since the Company has incurred losses in proceeding three financial years, it was not required to spend on CSR Activities Further, in terms of provisions of Section 135 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014 CSR Report is annexed to this Report as Annexure-A.

EMPLOYEE STOCK OPTION SCHEME

The Company has implemented the "Essar Shipping Employees Stock Option Scheme-2011" ("Scheme") in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the SEBI Guidelines").

The term of scheme of Employee Stock Option was for a period of seven years which got completed in the year 2018. As the objective of the trust is attained, the ESOS trust has been wound up.

AUDITORS

M/s. C N K & Associates LLP, Chartered Accountants – Statutory Auditors (Registration No. 101961 W/W - 100036) were re-appointed at 10th AGM of the Company held on September 30, 2020 to hold the office up to the conclusion of 15th AGM of the Company to be held in the year 2025.

The Audit Report on the Financial Statements of the Company for F.Y. 2024-25 forms part of this Annual Report.

The Report does not contain any qualification, reservation, adverse remark or disclaimer. The Company has confirmed with Auditors that they satisfy the criteria provided under Section 141 of the Act and rules framed thereunder.

Further, M/s. Manohar Chowdhry & Associates, Chartered Accountants (Registration No. 01997S) would be appointed as the Statutory Auditors of the Company for a term of Five (5) consecutive years, to hold office from the conclusion of Fifteenth (15th) AGM till the conclusion of Twentieth (20th) AGM of the Company to conduct statutory audit from FY2026 to FY2030.

AUDITORS' REPORT:

Further with regard to the observations made in Annexure A to the Auditors' Report, the management explanation is as under:

1. As on March 31, 2025, the Company has accumulated losses of ₹ 6,520.75 crore as against capital and reserves of ₹ 5,217.75 crore. Some of the Lenders of the Company's Subsidiary (which has gone into liquidation) where the Company is a Guarantor, have filed applications before the High Court / National Company Law Tribunal / Debt Recovery Tribunals for recovery of overdue amounts and / or enforcement of guarantees.

   The Company has disposed off most of its assets and some of the investment in subsidiaries with a view to pay off its outstanding dues to lenders / vendors. The Company's current liabilities exceed its current assets as on March 31, 2025.

2. The Company has certain significant open legal proceedings for various matters with the Lenders of Company's Subsidiary & Customers, continuing from earlier years.

   The company is contesting all the open legal matters. During FY 2024-2025, some of the legal cases were settled.

3. We draw attention to Note No. 28 to the Standalone Financial Statements, which indicates that as on March 31, 2025, the Company has accumulated losses of ₹ 6,520.75 crore as against capital and reserves of ₹ 5,217.75 crore. The Company has defaulted on several loans and some of the lenders of the Company's subsidiary (which has gone into liquidation) where the Company is a Guarantor, have filed application before various forums for recovery of overdue amounts and / or enforcement of guarantees. The Company has disposed off most of its assets and some of the investments with a view to pay off its outstanding dues to lenders / vendors. The Company's current liabilities exceed its current assets as on March 31, 2025. This indicates that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern.

The Company, however, has represented that, as mentioned in Note No. 28 to the Standalone Financial Statements, the Company has earned operating income from Tug given on Bare-boat charter basis and management fees and is taking steps to rectify the mismatch in working capital. In view of the above, the Company has prepared the accounts as a going concern.

4. In an earlier year, the Company had settled the loan with a bank and paid the dues through monetisation of assets and recognised gain on settlement. Post settlement, the Bank had assigned the said loan to an Asset Reconstruction Company (Assignee Company). Pending outstanding bank guarantee (which was withdrawn during the year ended 31st March 2024) and pending Group level settlement, 'No Due Certificate' (NOC) was not received from the Bank or the Assignee Company till March 31, 2024.

   During the year, the Company has paid an amount of ₹ 0.60 crore and received the NOC from the Assignee Company. The amount paid has been charged to the Statement of Profit and Loss and has been shown as an exceptional item.

5. We draw attention to Note No. 3(A) and 8 of the Standalone Financial Statements relating to agreement for sale of shares held by the Company in a subsidiary. During the year, part of the consideration amounting to USD 52,499,960 has been received and sale of shares to the extent of consideration received has been recognised in the books of account.

   The Company has filed necessary forms with the Reserve Bank of India in this regard. The balance shares are held for sale and have been disclosed accordingly.

6. We draw attention to Note No.19(B) of the Standalone Financial Statements relating to payment of ₹ 50.83 crores to two banks during the year towards One Time Settlement (OTS) between the said banks and a step-down subsidiary of the Company.

   In respect of one bank, the Company has settled the loan and paid the dues and 'no dues certificate' has been received from the said bank. The Company does not expect any additional liability to devolve in this regard. In respect of the other Bank, the OTS is yet to be concluded.

   Since the step-down subsidiary is under liquidation, hence the entire amount paid is doubtful of recovery and same has been fully provided for.

7. The Company has netted off of ₹ 331.26 Crore payable to a wholly owned overseas subsidiary with the amount receivable from the said subsidiary. This is subject to pending application and approval from the regulatory authorities.

   Once we will get the approval for set-off, net amount will be shown as receivables from the subsidiary company.

8. We draw attention to Note No. 28 to the Consolidated Financial Statements wherein it is stated that:

   - The Group has accumulated losses of ₹ 5,506.39 crore as against capital and reserves of ₹ 3,126.76 crore as on March 31, 2025.
   - Some of the lenders of one of the subsidiaries which has gone into liquidation) where the holding company is a Guarantor have filed application before various forums for recovery of overdue amounts and / or enforcement of guarantees.
   - The Group's Holding Company has disposed off most of its assets and some of the investments to pay off its outstanding dues to lenders / vendors.
   - The net worth the Group eroded and it is incurring continuous losses since last several years.
   - In case of a subsidiary, the auditors of the said Company have pointed out that the Company has obtained a one-time settlement agreement with 3 out of 4 of its external lenders and that the said Company is in discussion with its group companies to obtain financial support.

   The Group has earned operating income by way of hire charges and management fees and is taking steps to rectify the mismatch in working capital.

9. We draw attention to Note No. 19(c) of the Consolidated Financial Statements relating to payment of ₹ 50.83 crores during the year to two banks towards One Time Settlement (OTS) between the said banks and a step-down subsidiary of the Holding Company.

   In respect of one bank, the Holding Company has settled the loan and paid the dues and 'no dues certificate' has been received from the said bank. The Holding Company does not expect any additional liability to devolve in this regard. In respect of the other Bank, the OTS is yet to be concluded.

   Since the step-down subsidiary is under liquidation, hence the entire amount paid is doubtful of recovery and same has been fully provided for.

10. We draw attention to Note No. 8 of the Consolidated Financial Statements relating to the agreement for sale of shares held by the Holding Company in a subsidiary. Part of the consideration amounting to USD 524,99,960 has been received by the Holding Company during the year, and sale of shares to the extent of consideration received has been recognized in the books of account.

    The Holding Company has filed necessary forms with the Reserve Bank of India in this regard. The balance shares are held for sale and have been disclosed accordingly.

11. As on March 31, 2025 the Group has accumulated losses of ₹ 5,506.39 crore as against capital and reserves of

₹ 3,126.76 crore. The Group has also defaulted on several loans and lenders have initiated recovery proceedings as mentioned in Note No.28 of the Consolidated Financial Statements.

The Group has disposed off most of it's assets and some of the investment in subsidiaries with a view to pay off it's outstanding dues to lenders/ vendors. The Group's current liabilities exceeds its current assets as on March 31, 2025. All these factors indicates that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern.

12. In case of one associate and one jointly controlled entity, share of profit / (loss) for the quarter and year ended March 31, 2025, has not been included in the Consolidated

    During the FY 2022-23, the Indian step-down subsidiary was admitted to Corporate Insolvency Resolution Process (CIRP) and consequently its management was taken over by Interim Resolution Professional. Hence the share of profit/ (loss) of associate of the step-down subsidiary and an entity jointly controlled with the step-down subsidiary is not considered for consolidation purpose for FY 2024-25.

13. The Financial Statements of one step down subsidiary (which has been admitted to NCLT and gone into liquidation) have not been consolidated.

    During the FY 2022-23, the Indian step-down subsidiary was admitted to Corporate Insolvency Resolution Process (CIRP) and consequently its management was taken over by Interim Resolution Professional. Hence the subsidiary is not considered for consolidation purpose for FY 2024-25.

14. In case of an associate, which ceased to be an associate w.e.f. December 26, 2024, the share of profit / (loss) of ₹ 3.51 Crore for the period April 1, 2024 to December 25, 2024 , has been considered for consolidation.

    The company has sold the investment in shares in the associate company and hence, considered share of profit of an associate till December 25, 2024.

REPORTING OF FRAUDS BY AUDITORS:

During the year under review, neither the statutory auditors nor the secretarial auditors reported to the Audit Committee of the Board, under section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Report.

INTERNAL AUDITOR AND THEIR REPORT

The Board has appointed M/s. DMKH & Co, Chartered Accountants, as Internal Auditor of the Company to conduct Internal Audit for the financial year 2024-2025. During the year under review M/s. DMKH & Co, Chartered Accountants, Internal Auditor has submitted their Report for the said quarters/period to the Audit Committee for its review and necessary action.

SECRETARIAL AUDIT

The Board has appointed M/s. Mayank Arora & Co., Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2024-2025.

Further, as per SEBI Circular dated December 31, 2024, M/s. Mayank Arora & Co., Practising Company Secretaries would be appointed as Secretarial Auditor of the Company, for a term of Five (5) consecutive years, to hold office from the conclusion of Fifteenth (15th) AGM till the conclusion of Twentieth (20th) AGM of the Company to conduct secretarial audit from FY2026 to FY2030.

The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed herewith marked as Annexure - B to this Report.

The Secretarial Auditor has made following observation(s) and the Management reply for the same is as under:

1. Pursuant to regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the company was required to make disclosure of related party transactions after every six months on the date of publication of its standalone and consolidated financial results with effect from April 01, 2023; however the company has filed the related party transaction details with 1 (one) day delay for both half year ended i.e. March 31, 2024, therefore the company has paid the relevant fine as levied by BSE and NSE within the relevant timeline and also applied for waiver of the same.

   The Company has paid the relevant fine as levied by the BSE and National Stock Exchange of India Limited within the relevant timeline and also applied for waiver. The Board Members took the cognizance of the fine levied by the exchanges and stated that more care should be taken while undertaking compliances in the future.

2. Pursuant to the provisions of section 129 of Companies Act, 2013, the Financial Result of one subsidiary (which has been admitted to NCLT and undergoing CIRP Process) have not been consolidated.

   During FY 2022-23, one of Indian sub-subsidiary got admitted to Corporate Insolvency Resolution Process (CIRP) and management of the company took over by Resolution Professional and hence the said subsidiary not considered for consolidation purpose

MAINTENANCE OF COST RECORDS:

The maintenance of cost records for the services rendered by the Company is not required pursuant to Section 148(1) of the Companies Act, 2013 read with Rule 3 of Companies (Cost Records and Audit) Rules, 2014.

SECRETARIAL STANDARDS OF ICSI

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Pursuant to the provisions of Section 118 of the Act, 2013 during F.Y. 2024-2025, the Company has adhered with the applicable provisions of the Secretarial Standards ("SS-1" and "SS-2") relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India ("ICSI") and notified by MCA.

APPOINTMENT AND REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors on recommendation of the Nomination & Remuneration Committee has adopted a policy for appointment of Directors, remuneration of Directors, Key Managerial Personnel and other employees. The brief details on the above are provided in Corporate Governance Report and the policy is available on the website of the Company esl.secretarial@essarshipping.co.in. The details of remuneration as required to be disclosed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure - C to this Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules together with disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure - D to this Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website Essar Shipping Limited - Essar. The information on each of the transactions with the related party as per the Companies Act, 2013 is provided in note 27 of notes forming part of the financial statement and hence not repeated. The disclosure required pursuant to clause (h) of sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is annexed herewith as Annexure - E to this Report.

WEBLINK OF ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2025 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at Essar Shipping Limited - Essar.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of the Act and IEPF Rules, as amended from time to time, the Company is required to transfer the following to IEPF:

1. Dividend amount that remains unpaid/unclaimed for a period of seven (07) years; and
2. Shares on which the dividend has not been paid/claimed for seven (07) consecutive years or more.

Additionally, pursuant to Rule 3(3) of IEPF Rules, in case of term deposits of companies, due unpaid or unclaimed interest shall be transferred to the Fund along with the transfer of the matured amount of such term deposits.

As on date, there are no unpaid and unclaimed amounts to be transferred to the investor education and protection fund.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Insolvency Petition was filed by Corporate Creditor of OGD Services Limited (OGD), a step down Subsidiary of ESL. The Company (OGD) is admitted under the Corporate Insolvency Resolution Process ("CIRP") by Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench by Order dated February 09, 2023. During the year the NCLT has passed an order on 29th April 2024 for liquidation of the company. ESL being the corporate Guarantor has contested the order with NCLAT Delhi. Currently the matter is sub-judice.

The Company has received Notice from Registrar of Companies, Ahmedabad (herein referred as "ROC") dated April 11, 2023 for Adjudication of penalty under Section 454 of Companies Act, 2013 under u/s 197 of the Companies Act, 2013. Further, the Company has paid an amount of ₹ 5,00,000/- to ROC as the penalty was imposed on the Company and ₹ 1,00,000/- each was paid by Mr. Ranjit Singh and Mr. Rahul Bhargav who were Directors of the Company.

Further, the Company has also received Notice from Registrar of Companies, Ahmedabad (herein referred as "ROC") dated January 11, 2024 for Adjudication of penalty under Section 454 of Companies Act, 2013 under u/s 118 of the Companies Act, 2013. Further, the ROC have imposed the penalty on the Company of ₹ 10,50,000/- and ₹ 90,000/- on its officers in default. The Penalty amount is paid by the officers in default and the company is under process of paying the same.

During the year, the company has signed a settlement agreement with Steel Authority of India Limited (SAIL) under the Vivad Se Vishwas Scheme - II. As per the Scheme, the company will receive 65% of original claim amount plus interest which was accounted as exceptional item in the earlier year. Irrecoverable amount of ₹ 66.99 crores has been charged to Profit & Loss account as on 31st March, 2024 as an exceptional item

The company have received interest waiver to the tune of ₹ 6.60 crores from one of the lenders and hence same has been shown as exceptional income in Profit & Loss account and no dues certificate received from them.

During the year, the Income tax department has filed an appeal with the High Court of Bombay against the favourable order passed by Income Tax Appellate Tribunal (ITAT) in favour of the company for one assessment year.

TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Technology Absorption

The Company has successfully implemented SAP in its financial and budget management systems. The Company has also now implemented various methods of automation so as to have greater visibility and control over its assets and further improve the turnaround time thereby increasing asset utilisation and profitability. Planned maintenance and purchase management system of all the vessels are now being integrated with SAP in order to have uniform platform. The Company has implemented a robust Document Management System thus improving the availability of critical information in e-mode thereby reducing the use of paper. Ship-staff payroll system has been developed and implemented successfully.

Foreign Exchange Earnings and Outgo

The details of Foreign Exchange Earnings and Outgo during the year are as follows:

Foreign Exchanged Earned (including loan receipts, sale of ships, freight, charter hire earnings, interest income, etc.): ₹ 501.36 crores

Foreign Exchanged Used (including cost of acquisition of ships, loan repayments, interest, operating expenses, etc.): ₹ 534.48 crores

PUBLIC DEPOSITS

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as ‘Deposits’ in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

PREVENTION OF SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been provided in the Report on Corporate Governance.

LISTING OF SHARES & LISTING FEES

The Company’s equity shares are actively traded on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSEIL). The listing fees payable for the financial year 2024-2025 is paid to BSE Limited and National Stock Exchange of India Limited within due date.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company’s shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code. The Compliance officer is entrusted with responsibility of overseeing, the compliances prescribed in connection with prevention of Insider Trading.

PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

To the best of our knowledge and belief, there are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal as on March 31, 2025

OTHER STATUTORY DISCLOSURES

No disclosure or reporting is made with respect to the following items, as there were no transactions during FY 2024-25.

- There was no issue of equity shares with differential rights as to dividend, voting or otherwise;
- There was no issue of equity shares (including sweat equity shares) to employees of the Company under Employees Stock Option Scheme;
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefits of employees;
- Directors of the Company have not received any remuneration or commission from any of its subsidiaries;
- The Company has not failed to implement any corporate action; and

- There was no revision of financial statements and/ or Directors' Report of the Company under Section 131 of the Companies Act, 2013.

APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors express their appreciation of commendable teamwork of all employees. Your Directors express their thanks to all the offices of the Ministry of Shipping, Directorate General of Shipping, Ministry of Petroleum and Natural Gas, Indian Navy, Indian Coast Guard, Mercantile Marine Department, State Government and Central Government, Classification societies, Oil Companies and Charterers, creditors, Banks and Financial Institutions for the valuable support, help and co-operation extended by them to the Company.

Your Directors also thanks its other business associates, including the Members of the Company for their continued co-operation and support extended towards the Company.

For and on behalf of the Board

Rajesh Desai	**Suresh Ramamirtham**
Director	**Chairman**
DIN: 08848625	**DIN: 09299459**

Mumbai
Date: August 13, 2025

ANNEXURE – A

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs: Please refer relevant para in the main Report.
2. The Composition of the CSR Committee.

   The Corporate Social Responsibility Committee comprises Mr. Sunil Modak – Chairman; Ms. Raichel Mathew - Member; and Mr. Rajesh Desai– Member.
3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company - Essar Shipping Limited - Essar
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : N.A
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : NA
6. Average net profit of the Company for last three financial years : Net loss
7. Prescribed CSR Expenditure (two per cent. of the amount as in item 6 above) : Nil
8. Details of CSR spent during the financial year: N.A

   (a) Total amount to be spent for the financial year : Nil

   (b) Amount unspent, if any: N.A.

   (c) Manner in which the amount spent during the financial year is detailed below:

Sr. No	CSR project or activity identified	Sector In which the Project is covered	Projects or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) Project or Programs wise	Amount spent on the projects or programs Sub-heads: (1)Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
---------Not Applicable---------							

   (d) Amount spent in Administrative Overheads - NA

   (e) Amount spent on Impact Assessment, if applicable - N. A.

   (f) Total amount spent for the Financial Year - NA

   (g) Excess amount for set-off, if any NA

   *Give details of Implementing Agency, if any.
9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): No amount has been spent on creation or acquisition of capital assets after the notification of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 on January 22, 2021.
11. Reasons for not spending the amount: Not Applicable

12. The Corporate Social Responsibility Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-	Sd/-
Rajesh Desai	**Suresh Ramamirtham**
Director	Chairman
DIN: 08848625	DIN: 09299459

Mumbai
Date: August 13 2025

ANNEXURE B

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
ESSAR SHIPPING LIMITED,
EBTSL Premises, ER-2 Building
(Admn. Building) Salaya 44 KM,
P.B. No 7 Taluka, Khambhalia,
Devbhumi Dwarka, Jamnagar, Khambhalia,
Gujarat, India, 361305

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ESSAR SHIPPING LIMITED,** (hereinafter referred as "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and subject to letter annexed herewith, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31 March 2025**, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) Merchant Shipping Act, 1958

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended:

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**;**
   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the Company during the Audit period);**
   f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 **(not applicable to the Company during the Audit period)** and
   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(not applicable to the Company during the Audit period);** and
   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the Audit period);**

(vii) Other Laws specifically applicable to the Company as per the representations made by the Company are listed in **Annexure I** and forms an integral part of this report.

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the Company.

We have also examined compliance with the applicable clause of the following:

a. Secretarial Standards issued by The Institute of Company Secretaries of India; and

b. The Listing Agreements entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

During the period under review and as per the explanations and representations made by the management and subject to clarification given to us, the company has generally complied with the provisions of Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except following **Observations**:

1. *Pursuant to regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the company was required to make disclosure of related party transactions after every six months on the date of publication of its standalone and consolidated financial results with effect from April 01, 2023; however the company has filed the related party transaction details with 1 (one) day delay for both half year ended i.e. March 31, 2024, therefore the company has paid the relevant fine as levied by BSE and NSE within the relevant timeline and also applied for waiver of the same.*

2. *Pursuant to the provisions of section 129 of Companies Act, 2013, the Financial Result of one subsidiary (which has been admitted to NCLT and undergoing CIRP Process) have not been consolidated.*

We further report that:

The Board of Directors of the Company was duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors for the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

1. *During the year, the Company has issued 782,00,000, 1% Secured, Redeemable, unlisted, unrated, non-convertible debentures of Face value of ₹100 each (NCDs), aggregating to ₹ 782 Crore on a preferential basis by conversion of Inter-Corporate Deposits. Accordingly, the requirements of various sections of the Companies Act, 2013 have been complied with.*

2. *During the year, the Company has issued 340,00,000, 8.25% Secured, Redeemable, unlisted, unrated, non-convertible debentures of Face value of ₹100 each (NCDs), aggregating to ₹ 340 Crore on a preferential basis by conversion of Inter-Corporate Deposits. Accordingly, the requirements of various sections of the Companies Act, 2013 have been complied with.*

3. *During the year, the Company has issued 292,00,000, 1% Unsecured, Redeemable, unlisted, unrated, non-convertible debentures of Face value of ₹100 each (NCDs), aggregating to ₹ 292 Crore on a preferential basis by conversion of Inter-Corporate Deposits. Accordingly, the requirements of various sections of the Companies Act, 2013 have been complied with.*

4. *During the Financial Year 2023-24, the Company has received Notice from Registrar of Companies, Ahmedabad (herein referred as "ROC") dated January 11, 2024 for Adjudication of penalty under Section 454 of Companies Act, 2013 under u/s 118 of the Companies Act, 2013. Further, the ROC have imposed the penalty on the Company of ₹ 10,50,000/- and ₹ 90,000/- on its officers in default. The Penalty amount is being paid by the officers in default in the same Financial Year only however the Company under process of paying the same. Further, the Company has paid the same in Financial Year 2024-25.*

We further report that as on the date of report, following events has occurred which has bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

1. *The company has made the following allotments of Non-Convertible Debentures by conversion of Inter Corporate Deposits with the respective allottees:*

    a) *Allotment of 6,00,00,000 (Six Crore only) 1% Secured, Redeemable, Unlisted, and Non-Convertible Debentures ("NCDs") of face value of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 600,00,00,000/- (Rupees Six Hundred Crores Only) to M/s. Abhinand Ventures Private Limited.*

    b) *Allotment of 2,50,00,000 (Two Crore Fifty Lakhs only) 8.25% Secured, Redeemable, Unlisted, and Non-Convertible Debentures ("NCDs") of face value of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only) to M/s. Abhinand Ventures Private Limited.*

    c) *Allotment of 2,50,00,000 (Two Crore Fifty Lakhs only) 1% Unsecured, Redeemable, Unlisted, Unrated and Non-Convertible Debentures ("NCDs") of face value of ₹ 100/- (Rupees Hundred Only) each aggregating to ₹ 250,00,00,000/- (Rupees Two Hundred Fifty Crores Only) to M/s. Essar Steel Metal Trading Limited.*

This report is to be read with my letter of even date which is annexed as **Annexure II** and form an integral part of this report.

For **Mayank Arora & Co.,**
Company Secretaries

Mayank Arora
Partner
Membership No.: F10378
UDIN: F010378G000869491
COP No.: 13609
PR No: 5923/2024

Place: Mumbai
Date : 26/07/2025

Annexure I

Other Laws applicable to the Company

(A) Commercial Laws

(i) Indian Contract Act

(ii) Limitation Act

(iii) Arbitration and Conciliation Act

(iv) Negotiable Instruments Act

(v) Information Technology Act

(vi) The Competition Act

(vii) Income Tax Act

(viii) Goods and Service Tax Act

(B) Others

(i) Bombay/Indian Stamp Act

(ii) The Bonus Act, 1965

(iii) The Minimum Wages Act, 1948

(iv) The Gratuity Act, 1972

(v) Contract Labour (Regulation and Abolition) Act, 1970

(vi) Maternity Benefit Act, 1961

(vii) Employment Exchange Act, 1959

(viii) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952

(ix) Employees State Insurance Act,1948

For **Mayank Arora & Co.,**
Company Secretaries

Mayank Arora
Partner
Membership No.: F10378
UDIN: F010378G000869491
COP No.: 13609
PR No: 5923/2024

Place: Mumbai
Date : 26/07/2025

Annexure II

To,

The Members,

ESSAR SHIPPING LIMITED,

EBTSL Premises, ER-2 Building
(Admn. Building) Salaya 44 KM,
P.B. No 7 Taluka, Khambhalia,
Devbhumi Dwarka, Jamnagar, Khambhalia,
Gujarat, India, 361305

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance or discrepancies, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company, further we have not reported clerical errors in the eforms/XBRL and late filing in compliances.

For **Mayank Arora & Co.,**
Company Secretaries

Mayank Arora
Partner
Membership No.: F10378
UDIN: F010378G000869491
COP No.: 13609
PR No: 5923/2024

Place: Mumbai
Date : 26/07/2025

ANNEXURE –C

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF OMPANIES ACT, 2013 AND RULE 5 (1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-2025 and percentage increase in the remuneration of each Director and Key Managerial Personnel (KMP) during the financial year 2024-2025 are as follows:

Sr. No.	Name of Director /KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration
1	Mr. Rajesh Desai	Executive Director	0.48	-
2	Mr. Suresh Ramamirtham	Independent Director	-	-
3	Mr. Jayakumar	Independent Director	-	-
4	Mr. Sunil Modak	Independent Director	-	-
5	Ms. Raji Chandrashekar	Independent Director	-	-
6	Ms. Raichel Mathew	Non- Executive Director	0.37	-
7	Mr. Vipin Jain	Whole-time Director & Chief Financial Officer	3.90	10.7
8	Ms. Rachana Trivedi	Company Secretary	0.76	8.00

The Company had 21 employees excluding the offshore employees on the rolls of the company as on March 31, 2025.

Therefore, the remuneration of the above stated Directors and KMPs is being considered proportionately according to their appointments and resignations.

Sd/-
Rajesh Desai
Director
DIN: 08848625

Sd/-
Suresh Ramamirtham
Chairman
DIN: 09299459

Mumbai
Date: 13 August 2025

ANNEXURE –D

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name	Age	Qualification	Designation	Date of Commencement of employment	Experience (Years)	Gross Remuneration	Previous Employment
Mr. Manoj Kumar	50	M.Sc. Engineering(Petroleum)	CEO-Drilling Division	08-DEC-2021	25	1,43,80,680	Al Safi National for Oil & Energy Services
Capt Subhas das	77	Master Mariner (FG)	Head-India Operations(Rig Construction)	01-Jul-2023	40	1,58,00,000	Essar Shipping Ports & Logistics Limited, Essar Ports
Mr. Vinod Rewani	52	MBA in Project Management	Vice President-Projects	10-Aug-2023	23	75,00,000	Waterways Shipyard Pvt Ltd & Zener Maritime Solutions Pvt Ltd
Mr. Hasit Avasiya	52	BE Mechanical	Vice President-Corporate Planning	21-Nov-1994	31	97,89,709	Essar Project IndiaLtd & Essar Capital
Mr.R Murthy	61	ICWA, BCOM	Advisor-Finance& Accounts	18-Mar-2010	38	72,51,210	Orient Green Power Co Ltd
Mr. Vipin Jain	47	Chartered Accountant	Whole-Time Director & CFO	26-Oct-2010	14	77,76,455	Abbott India Limited
Mr. Habib Jan	46	Company Secretary	General Manager	24-Aug-2009	16	47,11,732	Daman Hospitality Pvt Limited
Mr. Ashish Sinha	45	BE & PG Diploma in Management	General Manager-Finance	01-Oct-2015	17	47,11,732	Allahabad Bank
Mr. Nitin Bonde	60	B.E. (Mechanical)	Deputy General Manager - Materials	13-Aug-2007	35	37,62,009	Ispat Industries Ltd

1. No employee of the Company holds by himself/ herself or along with his/ her spouse and dependent children, not less than two percent of the equity shares of the Company.

2. No employee of the Company is a relative of any Director or Manager of the Company.

Sd/-
Rajesh Desai
Director
DIN: 08848625

Sd/-
Suresh Ramamirtham
Chairman
DIN: 09299459

August 13, 2025
Mumbai

ANNEXURE E

Form No. AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contacts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contacts or arrangements or transactions not at arm's length basis:

Sr No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrange-ments/ transactions	Duration of the con-tracts/ ar-rangements/ transactions	Salient fea-tures of the contracts or arrange-ments or transactions including the value, if any	Justification for entering into such contracts or arrange-ments or transaction	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required undue first provision to section 188
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (₹ In crore)	Date(s) of approval by the Board, if any	Amount paid as advances, if any (₹ In crore)
1.	OGD Services Holdings Limited	Subsidiary Company	Management Services provided	5 Months	3.42	28/05/2024	NIL
2.	Essar Investment Holdings Mauritius Limited	Associates	Management Services provided	12 months	10.12	28/05/2024	NIL
3.	Essar Investment Holdings Mauritius Limited	Associates	Reimbursement of expenses	12 months	15.02	08/08/2024	NIL
4.	Rajesh Desai	Executive Director	Managerial Remuneration	12 months	0.10	28/05/2024	NIL
5.	Vipin Jain	Chief Financial Officer	Managerial Remuneration	12 months	0.92	28/05/2024	NIL
6.	Rachana H. Trivedi	Company Secretary	Managerial Remuneration	12 months	0.15	28/05/2024	NIL
7.	Raichel Mathew	Director	Professional fees	12 months	0.10	28/05/2024	NIL
8.	Futura Travels Limited	Associates	Ticket charges paid	12 months	0.94	28/05/2024	NIL

Sr. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (₹ In crore)	Date(s) of approval by the Board, if any	Amount paid as advances, if any (₹ In crore)
9.	Essar Shipping Limited Employee Provident Fund Trust	Trust	Contribution of Employees Provident Fund	12 months	0.51	28/05/2024	NIL
10.	Essar Shipping DMCC	Subsidiary Company	Reversal of Provision of Impairment of receivables	12 months	32.15	28/05/2024	NIL
11.	Essar Steel Metal Trading Limited	Associates	Loan & advances given/repaid	12 months	8.00	29/05/2023	NIL
12.	IDH International Drilling Holdco Limited	Holding company	Loan & advances given/repaid	4 months	534.00	28/05/2024	NIL
13.	Equinox Realty Holdings Limited	Fellow subsidiary	Sale of shares of subsidiary	12 months	443.21	08/08/2024	NIL
14.	Essar Shipping DMCC	Subsidiary Company	Management Services	8 months	6.81	08/08/2024	NIL

Rajesh Desai
Director
DIN: 08848625

Suresh Ramamirtham
Chairman
DIN: 09299459

Mumbai,
August 13, 2025

Annexure – F

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to subsidiary companies for the year ended 31 March 2025 are as follows:

(Rupees in crores except currency rates)

Particulars	Essar Shipping DMCC, Dubai	OGD Services Holdings Limited	Gragnano	Drilxplore Services Private Limited	OGD Services Holdings Limited, India*
Reporting period for the subsidiary	**31 March, 2025**	**31 March, 2025**	**31 March, 2025**	**31 March, 2025**	**31 March, 2025**
Reporting currency	USD ($)	USD ($)	MXN Peso	INR (₹)	INR (₹)
Exchange rate as on the last date of the financial period (₹/USD)	85.5814	85.5814	1.5025	1.0000	1.0000
* All figures are in ₹ crore					
Share capital (including share application money pending allotment)	319.59	2,520.76	0.01	0.01	-
Reserves & surplus	(784.76)	(2,940.70)	(3.85)	(0.18)	-
Total liabilities	855.84	490.87	5.43	0.22	-
Total assets	390.67	70.93	1.58	0.05	-
Turnover	-	-	-	-	-
Profit / (loss) before taxation	(39.98)	755.42	(0.00)	(0.02)	-
Provision for taxation	-	-	-	-	-
Profit / (loss) after taxation	(39.98)	755.42	(0.00)	(0.02)	-
% of shareholding	100.00%	100.00%	99.00%	73.00%	0.00%

*Note: OGD Services Limited admitted into CIRP.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2024-25

In accordance with Regulation 34(3), Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereto) ('Listing Regulations'), hereinafter referred to as SEBI Listing Regulations, the Board of Directors of the Company has pleasure in presenting the Company's report containing the details of governance systems and processes for the FY 2024-25.

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential to achieve long-term goals and enhance stakeholder's value. The Philosophy on Corporate Governance is aimed at attainment of highest level of transparency, accountability and compliance with laws in all facets of operations, leading to best standards. The Company has always focused on good Corporate Governance, which is a key driver of sustainable corporate growth and long term value creation for its stakeholders. The Company ensures compliance with the requirements of Corporate Governance listed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations').

The Company believes that good ethics make good business sense and our business practises are in keeping with this spirit of maintaining the highest level of ethical standards. At Essar, we believe and continuously endeavour to achieve good governance through timely disclosures, transparency, accountability and responsibility in all our dealings with the employees, shareholders, clients and community at large. The Board of Directors represents the interest of the Company's Stakeholders and continuously strives for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance with the Code of Conduct adopted by the Company.

The disclosures of compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) & (t) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") are duly complied by the Company.

A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations, for the year ended March 31, 2025 (year under review) and developments up to the date of this report are given below:

2. GOVERNANCE STRUCTURE

In order to have a robust governance, the Company has a multi-tiered governance structure which comprises of Board of Directors and various Committees of the Board at the apex level with Independent Directors and the Management structure at the operational level. The roles and responsibilities of every constituent of the system have been defined. The Board is the apex body constituted by the shareholders to oversee the Company's overall functioning. They are responsible for providing strategic supervision, overseeing the management performance and governance of the Company on behalf of the shareholders and other stakeholders. The Board exercises independent judgement and plays a vital role in the oversight of the Company's affairs, while the Company's day to day affairs are managed by a competent management team under the overall supervision of the Board. The Board has constituted several Committees to focus on well-defined areas of responsibility, with a mandate to make time-bound recommendations.

This structure brings about a judicious blend in governance as the Board sets out the overall corporate objectives and provides direction and independence to the management to achieve these corporate objectives within a given framework. This paves the way to a conducive environment for value creation through sustainable profitable growth.

3. BOARD OF DIRECTORS

Composition:

The Board has a Non-Executive Chairman who is not related to promoter or person occupying management position at the level of Board of Directors or at one level below the Board of Directors of the Company and the numbers of independent Directors are one-third of the total numbers of Directors. None of the Directors on the Board is a Member in more than 10 Committees and Chairman of more than 5 Committees (as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), across all the companies in which he is a Director.

Further, in terms of Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015, Board of top 2000 listed entities w.e.f. April 01, 2020 shall comprises of at least six Directors. During the year there were 6 Directors on the Board of the Company in compliance with the Regulation 17 of SEBI (listing Obligations and Disclosure Requirement), 2015.

The composition of the Board of Directors of the Company as on March 31, 2025, is as follows:

Catagory	No. of Directors
Non-Executive Independent Directors	3
Non-Executive Non-Independent Directors	1
Executive Directors	2
TOTAL	6

Attendance at Meetings:

The Board meets at regular intervals to discuss and decide on Company's business policies and strategy apart from other regular business matters. Board Meetings are usually held at the Corporate Office of the Company at Mumbai and through Video Conferencing/Other Audio-Visual Means. The meetings and agenda items taken up during the meetings are complied with the Companies Act, 2013 and Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India ("SEBI").

During the financial year ended March 31, 2025 under review, the Board of Directors met 6 (Six) times, that is on May 28, 2024, June 08, 2024, August 08, 2024, November 13, 2024, February 04, 2025 & March 31, 2025. The gap between two meetings during the year did not exceed one hundred and twenty days.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting held on September 30, 2024, and also the number of Committee Memberships held by them in other public companies including the names of listed companies where the person is Director and the category of Directorship are given below as required under Regulation 26 of the SEBI (listing Obligations and Disclosure Requirement), 2015.

Name of the Director	Nature of Directorship	Date of joining the Board	No. of Board Meetings attended during the year ended March 31, 2025	Whether attended AGM held on September 30, 2024	Names of Listed companies where the person is Director and the category of Directorship as on March 31, 2025	No. of Committee positions held in other public Listed companies incorporated in India as on March 31, 2025		No. of Ordinary Shares held as on March 31, 2025
						Chairman	Member	
Mr. Rajesh Desai	Executive Director	30th September 2020	6	Yes	Nil	0	0	None
Mr. Suresh Ramamirtham	Independent Non-Executive	31st August 2021	6	NA	Nil	0	0	None
Mr. Jayakumar	Independent Non-Executive	31st August 2021	6	NA	Nil	0	0	None
Mr. Sunil Modak	Independent Non-Executive	08th September 2022	6	Yes	Nil	0	0	None
Ms. Raji Chandrashekar[1]	Independent Non-Executive	Resigned w.e.f. 28th May 2024	1	NA	Nil	0	0	None
Ms. Raichel Mathew	Non–Promoter Non-Executive	08th September 2022	6	Yes	Nil	0	0	None
Mr. Vipin Jain[2]	Executive Director	28th May 2024	4	Yes	Nil	0	0	None

Notes:

1. Ms. Raji Chandrashekar resigned from the pose of Independent Directorship w.e.f May 28, 2024.
2. Mr. Vipin Jain has been appointed as an Whole Time Director w.e.f May 28, 2024.
3. The Committees considered for the purpose of calculation of membership and/or chairmanship as mentioned above are those

as specified in the Listing Regulations i.e. Audit Committee and Stakeholder Relationship Committee and our Company is not considered in the said calculation.

Other Provisions: Disclosure of relationships between Directors inter-se

The Company confirms that it did not have any material pecuniary relationship or transaction with any Non-Executive Director during the year ended March 31, 2025, except for the payment of Sitting Fees for attending the Board and/or the Committee meetings.

The information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being made available to the Board. The Audit Committee of the Board of Directors periodically reviews the compliance report regarding compliance with the various laws applicable to the Company. The Company has a succession plan in place for appointment to the board of Directors and senior management.

Board Diversity

Board Diversity plays an important role in strengthening the Corporate Governance framework. It aims to nurture a broad gamut of demographic attributes and characteristics in the boardroom.

The Company believes that a diverse Board would enhance the quality of the decisions making process by utilizing the different skills, qualifications, professional experience, gender perspective, functional expertise, independence and professional knowledge of the members of the Board, necessary for achieving sustainable and balanced development.

Code of Conduct

The Board of Directors has laid down a code of conduct for all Board Members and Senior Management of the Company. The said code of conduct has been posted on the website of the Company at Essar Shipping Limited - Essar

Further, all the Board Members and Senior Management personnel have affirmed compliance with the said code of conduct for the year ended March 31, 2025. Necessary declaration to this effect signed by the Mr. Rajesh Desai, Director, forms a part of the Annual Report of the Company for the year ended March 31, 2025.

Familiarization programs for Independent Directors

The Company has a policy to keep the Independent Directors informed and updated about the business and operations of the Company as well as industries in which the Company operates, on a continuous basis. In addition to formal familiarization programs, the interactions between various functional heads and the Independent Directors are generally facilitated on regular basis after the meetings of the Board and the Committees.

The familiarisation programme for Independent Directors and the details of programme attended by them, in terms of provisions of Regulation 25 & 46 of Listing Regulations is also available on the website of the Company and can be accessed through the following web-link

The detail of such familiarization Programme conducted during the financial year 2024-25 can be accessed on the Company's website at Essar Shipping Limited - Essar

Maximum tenure of Independent Directors

In terms of the Act, Independent Directors shall hold office for a term of up to five consecutive years on the board of a company but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's Report. The tenure of the Independent Directors is in accordance with the provisions of the Act.

4. VIGIL MECHANISM

Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers and shareholders in an ethical and lawful manner by highest standards of professionalism, honesty, integrity and ethical behavior.

Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee. In accordance with the provisions of the Act and Regulation 22 of Listing Regulations, your Company has adopted a Whistle Blower Policy with an objective to provide its employees and Directors a mechanism whereby concerns including cases of leakage of unpublished price sensitive information and consequent non-compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations") can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication. The establishment of such mechanism is also disclosed in accordance with the Regulation 46(2)(e) of Listing Regulations on the website of the Company and can be accessed through the following web-link Essar Shipping Limited - Essar.

It is the policy of the Company to provide adequate safeguards against victimization of employees and not to allow retaliation against the employee who makes a good faith report about possible violation of Company's Code of Conduct. Suspected violation of this Code, evidence of illegal or unethical behavior may be reported to the CFO on designated email ID. All reported violations are appropriately investigated.

Employees are expected to fully cooperate in internal investigations of misconduct. Their identity shall be kept strictly confidential by the Company. In exceptional cases, employees can have direct access to Mr. Suresh Ramamirtham, Chairman of the Audit Committee, on the designated email id for the purpose of bringing to the attention of the Audit Committee any issues, questions, concerns or complaints they may have regarding accounting, internal accounting controls, auditing matters or other genuine concerns.

Essar at group level has implemented a whistle blower mechanism where an independent third party hotline has been authorized through KPMG Advisory Services Private Limited for reporting of protected disclosure through various channel. The service has also been extended to the vendors and customers of the Company other than employees to ensure the fairness and transparency in the corporate affairs of the Company.

However, it may please be noted that the whistle blower policy previously adopted by the Company and hosted on its website remains unaltered. The hotline contact details have been suitable hosted on the Company website.

A chart or a matrix setting out the skills/expertise/ competence of the Board of Directors:

The Company's Board comprises of qualified members who bring in required skills, competence and expertise which allows them to make effective contribution to the Board and its Committees. The Board members are committed to ensure that the Company is in compliance with the standards of corporate governance. A brief summary of the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company is set out below:

Sr. No.	Name of Director	Skills/Expertise/ Competencies
1.	Mr. Sunil Modak	Expertise in shipping administration and floating staff movement
2.	Mr. Vipin Jain	Expertise in Finance & Accounts
3.	Mr. Rajesh Desai	Finance & Accounts
4..	Mr. Jayakumar	Projects, Insurance & Procurement
5..	Mr. Suresh Ramamirtham	Expertise in Marketing, Operations, HR, and Finance
6..	Ms. Raichel Mathew	Finance & Accounts

5. **INDEPENDENT DIRECTORS:**

Independent Directors play an important role in the Governance Processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision-making process at the Board with different points of view and experiences and prevents conflict of interests in the decision-making process.

The appointment of the Independent Directors is carried out in a structured manner. The Nomination & Remuneration Committee identifies potential candidates based on certain laid down criteria.

The Independent Directors have submitted their respective declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they do not hold Directorships exceeding the prescribed limit specified in the Listing Regulations. The Company has also issued formal appointment letters to all the Independent Directors in compliance with the Companies Act, 2013 read with the Rules issued thereunder.

The definition of 'Independence' of Directors is derived from Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013 as amended from time to time. Based on confirmation / disclosures received from Directors and on evaluation of the same, all Independent Directors, are Independent of the management, complies with the Provisions of Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

Further, Ms. Raji Chandrasekhar, resigned from the post of Independent Director wef 28th May, 2024, due to her personal commitments and she further confirmed that that there is no material reason other than that mentioned in her resignation letter.

6. **MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, in accordance with the provisions of Schedule IV (Code of Independent Director) of the Companies Act, 2013 and Regulation 25 (3) and (4) of Listing Regulations, the Independent Directors had a separate meeting on 4th February, 2025, without the attendance of Non-Independent Directors and members of the management, to discuss the following:

- Review and Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Review and Evaluation of the performance of the Chairman of the Company, taking into account the view of the Executive and Non-Executive Directors.
- Review and Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The following Independent Directors were present at the Meeting:

- Mr. Jayakumar
- Mr. Suresh Ramamirtham
- Mr. Sunil Modak

All Independent Directors of the Company were present at the said Meeting. They expressed satisfaction at the evaluation process, the Board's freedom to express views on the business transacted at the meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

Resignation/Retirement of an Independent Director:

Ms. Raji Chandrasekhar, resigned from the post of Independent Director wef 28th May, 2024, due to her personal commitments and she further confirmed that that there is no material reason other than that as mentioned in her resignation letter.

7. PARTICULARS OF SENIOR MANAGEMENT EXCLUDING DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of Senior Management Personnel	Category
1	*Mr. Vipin Jain	Chief Financial Officer & Whole-Time Director
2	*Ms. Rachana Trivedi	Company Secretary & Compliance Officer
3	*Mr. Bharat Modi	Company Secretary & Compliance Officer

*There have been changes in Senior Management personnel since the close of the previous financial year. Mr. Vipin Jain was appointed as a Whole-Time Director with effect from 28th May, 2024. Further, Ms. Rachana Trivedi resigned as a Company Secretary & Compliance Officer with effect from 31st March, 2025 and Mr. Bharat Modi appointed as a Company Secretary & Compliance Officer with effect from 01st April, 2025.

8. COMMITTEES OF THE BOARD:

The Board Committees play a vital role in strengthening the Corporate Governance practices, focus effectively on the issues, and ensure expedient resolution of diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Board of Directors from time to time has constituted the following Committees, namely:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholder's Relationship Committee

D. Corporate Social Responsibility Committee

A. AUDIT COMMITTEE

The composition of the Audit Committee as on March 31, 2025 is as follows:

S. No.	Particular	Designation
1.	Mr. Suresh Ramamirtham	Chairman
2.	Mr. Sunil Modak	Member
3.	Mr. Rajesh Desai	Member

The composition and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Rules made there under and Regulation 18 of the Listing Regulations, as amended from time to time. As on March 31, 2025. Statutory auditors, internal auditors and Chief Financial Officer attend the meetings of the Committee at the invitation of the Chairman. The Company Secretary acts as the Secretary of the Committee. All the members are financially literate and possess necessary expertise in finance or accounting or any other comparable experience or background.

The Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regards composition of Audit Committee.

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the role of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of the auditors of the Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   - Matters being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub - Section 3 of Section 134 of Companies Act, 2013.
   - Changes, if any, in accounting policies and practices and reasons for the same.
   - Major accounting entries involving estimates based on the exercise of judgment by Management.
   - Significant adjustments made in the financial statements arising out of audit findings.
   - Compliance with listing and other legal requirements relating to financial statements.
   - Disclosure of any related party transactions.
   - Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6. Reviewing, with the management, the statement of

uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investment;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post – audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
20. Reviewing the utilization of loans and/ or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has also been granted powers as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

During the year under review, Audit Committee met 5 times on May 28, 2024, June 08, 2024, August 08, 2024, November 13, 2024 and February 04, 2025 with a gap of not more than four months. All the Audit committee meetings were held through video conferencing. All the requirements with respect to video conferencing meeting were adhered to during the Audit Committee meeting. The details of the meetings attended by the Directors are given below:

Composition	Meeting Dates and Attendance				
	May 28, 2024	June 08, 2024	August 08, 2024	November 13, 2024	February 04, 2025
Mr. Suresh Ramamirtham – Member	Yes	Yes	Yes	Yes	Yes

Mr. Sunil Modak-Member	Yes	Yes	Yes	Yes	Yes
Mr. Rajesh Desai-Member	Yes	Yes	Yes	Yes	Yes

B. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee includes inter-alia to formulate evaluation criteria and recommend to the Board from time to time on matters such as candidates for induction on the Board, compensation structure for Managing Director/Chief Executive Officer, Whole-time Director and Key Managerial Personnel and other Senior Executives, devising a policy on Board Diversity, review implementation of evaluation system and to administer and supervise the Employee Stock Option Scheme of the Company. The composition of the Nomination and Remuneration Committee and its terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, as amended from time to time.

The detail of the composition and meetings of the Nomination and Remuneration Committee for the year ended March 31, 2025 are as follow:

Composition	Meeting Dates and Attendance		
	May 28, 2024	February 04, 2025	March 31, 2025
Mr. Sunil Modak Chairman	Yes	Yes	Yes
Mr. Suresh Ramamirtham Member	Yes	Yes	Yes
Ms. Raichel Mathew	Yes	Yes	Yes

Remuneration Policy

The Company's remuneration policy aims to attract and retain talent and is in accordance with industry practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance earmarked objectives.

The Nomination and Remuneration Committee of the Board is constituted in compliance with the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is fully empowered to frame compensation structure for Directors and its review from time to time.

Remuneration to Directors is paid as determined by the Board on recommendation of the Nomination and Remuneration Committee and subject to such approval of Shareholders as may be required in accordance with applicable provisions of the Companies Act, 2013 relating to managerial remuneration. The Company only pays sitting fees to Independent Directors and Non-Executive Directors for attending meetings of the Board and Committees. The Policy is available on the website of the Company and can be accessed through the following web-link: https://www.essar.com/compliance/

Acceptance of recommendations of committee by Board:

There were no instances where the Board of Directors had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year 2024-2025.

Performance Evaluation of Board and Directors:

In line with the Corporate Governance Guidelines of your Company, annual performance evaluation was conducted for all Board Members, for Individual Director including Independent Directors, its Committees and Chairman of the Board. This evaluation was led by the Board as a whole on the basis of the parameters provided in the evaluation framework. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations. The Board evaluation was conducted through qualitative parameters and feedback based on ratings.

In view of the above, the Company conducted a formal Board Effectiveness Review as a part of its efforts to evaluate, identify improvements and thus enhance the effectiveness of the Board of Directors (Board), its Committees and individual Directors.

As per the requirement of Regulation 17(10) of Listing Regulations, the Board evaluated the Independent Directors of the Company. Their evaluation was based on their performance and their fulfillment of the independence criteria as specified in these regulations and their independence from the management.

Criteria for evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, during the year under review, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of functioning of the Board, Committees and Directors such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance was distributed to each member of the Board and inputs were received. The Directors expressed their satisfaction with the evaluation process.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The term of reference of the Stakeholder's Relationship Committee include redressing shareholder and investor complaints like non – receipt of transfer and transmission of shares, non - receipt of duplicate share certificate, non -

receipt of balance sheet, non - receipt of dividends etc. and to ensure expeditious share transfer process, approval of Register of Members as on record date and/or book closure date for receiving dividends or other corporate benefits, recommending measures for overall improvement in the quality of services to the investors, review of measures taken for effective exercise of voting rights by shareholders.

During the year under review, the Committee met once on February 04, 2025

The Composition of the Stakeholders' Relationship Committee along with the details of the meetings attended by the Directors is given below:

Names of Members	Category	No. of Meetings attended during the year ended March 31, 2025
Mr. Rajesh Desai Member	Non-Executive	1
Mr. Sunil Modak Chairman	Independent	1
Ms. Raichel Mathew	Non- Executive	1

Name and Designation of Compliance Officer: Mr. Bharat Modi, Company Secretary and Compliance Officer.

Status of Complaints received during the year ended March 31, 2025:

Nature of Complaints	Received	Resolved	Pending
Relating to Transfer, Transmission etc. and other/Miscellaneous	110	110	Nil
TOTAL	110	110	Nil

Pending Transfers:

There were no pending transfers as on March 31, 2025.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition of the Corporate Social Responsibility (CSR) Committee is in line with provisions of Section 135 of the Companies Act, 2013 and rules made thereunder as amended from time to time. A Corporate Social Responsibility Committee consists of three Directors. The composition of committee as on March 31, 2025 is as follows:

- Mr. Rajesh Desai
- Mr. Sunil Modak
- Ms. Raichel Mathew

Terms of reference of the Corporate Social Responsibility Committee include formulating and recommending to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on the activities referred to in CSR Policy and monitoring the CSR Policy of the Company from time to time.

9. DETAILS OF REMUNERATION TO DIRECTORS

(Amount in Rupees)

Name of Director	Basic Salary	Provident Fund	Allowances and other benefits	Sitting Fees	Total
Mr. Rajesh Desai	9,60,000	-	-	-	**9,60,000**
Mr. Jayakumar	-	-	-	1,80,000	**1,80,000**
Mr. Suresh Ramamirtham	-	-	-	3,10,000	**3,10,000**
Mr. Sunil Modak	-	-	-	3,10,000	**3,10,000**
Ms. Raji Chandrashekar[1]	-	-	-	30,000	**30,000**
Ms. Raichel Mathew	7,50,000	-	-	2,10,000	**9,60,000**
Mr. Vipin Jain[2]	27,99,996	3,36,000	46,40,459	-	**77,76,455.00**

1. Ms. Raji Chandrasekhar have tendered her resignation from the post of Independent Director with effect from closing hours of May 28, 2024;
2. Mr. Vipin Jain was appointed as a Whole-Time Director of the Company with effect from May 28, 2024.

Criteria of making payment to Non-Executive Directors

The Company has a policy on making payment of remuneration which includes criteria of making payments to non-executive Directors. The said policy is available on website of the Company and the same can be accessed through: Essar Shipping Limited - Essar

10. DISCLOSURES

a) There were no transactions of material nature with its Promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. However, the Company has annexed to the accounts a list of related parties as per IND AS-24 and the transactions entered into with them.

b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: NIL

c) The Company has established a vigil mechanism (Whistle Blower Policy) for Directors and employees to report genuine concerns. The Whistle Blower Policy provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No personnel has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is available on the website of the Company: Essar Shipping Limited - Essar.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015:

All the mandatory items of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, interlia as listed below, have been complied with and covered in this report:

(i) Brief statement on Company's philosophy on code of governance;

(ii) Board of Directors;

(iii) Audit Committee;

(iv) Nomination and Remuneration Committee;

(v) Remuneration of Directors

(vi) Stakeholders' Relationship Committee;

(vii) General Body Meetings;

(viii) Other Disclosures;

(ix) Means of Communication;

(x) General Shareholder Information.

e) Policy for determining 'material' subsidiaries

Details of the Policy for determining 'material' subsidiaries is available on the website and the link for the same is: Essar Shipping Limited - Essar

Details of the Policy for dealing with Related Party Transactions is available on the website and the link for the same is: Essar Shipping Limited - Essar

Board Disclosures:

The Company follows adequate procedures to inform Board members about the risk assessment and minimization procedures.

Prevention of Insider Trading

The Company has framed and implemented a Code on Prevention of Insider Trading in accordance with the Code prescribed by SEBI (Prohibition of Insider Trading) Regulation, 2015 and disclosed on the website of the Company viz.: Essar Shipping Limited - Essar

The Executive Director and the Chief Financial Officer have provided the Compliance Certificate to the Board of Directors as per regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2011 for the Financial Year Ended March 31, 2025.

11. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company continuously strives towards improving its Corporate Governance practices, whilst your Company is fully compliant with the mandatory requirements of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The status of compliance of non-mandatory requirements under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is as follow:

The Board

Mr. Suresh Ramamirtham, a Non-Executive Chairman is entitled to and also allowed reimbursement of expenses incurred in performance of his duties.

Shareholder Rights

The financial results of the Company for every quarter are extensively published in the newspapers and are also uploaded on the Company's website. The same are also sent to the shareholder on request.

Key Managerial Personnel

In accordance with the Section 203 of the Companies Act, 2013 and Rules made thereunder, the following persons are Key Managerial Personnel of the Company:

a) Mr. Vipin Jain, Chief Financial Officer

b) *Ms. Rachana Trivedi, Company Secretary and Compliance Officer

c) * Mr. Bharat Modi, Company Secretary and Compliance Officer

* Ms. Rachana Trivedi resigned from the post of Company Secretary w.e.f. 31st March, 2025 and Mr. Bharat Modi was appointed as a Company Secretary & Compliance Officer w.e.f. 01st April, 2025.

Executive Director and CFO Certification:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rajesh Desai, Executive Director and Mr. Vipin Jain, CFO have issued certificates to the Board of Directors which forms a part of the Annual Report of the Company for the year ended March 31, 2025.

Certificate from Company Secretary in Practice:

Mr. Mayank Arora of M/s. Mayank Arora & Co, Practicing Company Secretary has issued a certificate as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that none of Directors of the Company are debarred or disqualified from being appointed or to continue as Directors of the Company by the SEBI/Ministry of Corporate Affairs or any another Statutory Authority. **The said Certificate is enclosed as Annexure A**

Details total fees paid to statutory auditors:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors are as follows:

Particulars	Financial Year 2024-2025 (INR in Lakhs)
Audit fees	20.60
For other services (Certifications, etc.)	0.51
Reimbursement of Expenses	0.03
Total	**21.14**

12. GENERAL BODY MEETING

Details of the last three Annual General Meetings held from the year 2021-2022 to 2023-2024 are given below, in the ascending order:

Year	Date, Day &Time	Venue	Details of the Special Resolutions passed in the AGM
2021-22	September 08, 2022 at 2:00 P.M	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	(i) Appointment of Mr. Sunil Modak (DIN: 09623865) as an Independent Director of the Company (ii) Appointment of Ms. Raji Chandrasekhar (DIN: 09623673) as an Independent Director of the Company (iii) To consider and approve the requests received from M/s. Imperial Consultants Limited for re-classification from 'Promoter and Promoter Group' category to 'Public' category (iv) Approval for Related Party Transactions of the Company
2022-23	September 29, 2023	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	4. Issue and allotment of Non-Convertible Debentures to Essar Steel Metal Trading Limited 5. Sale of overseas direct investments(ODI) and redemption of foreign currency convertible bonds(FCCBs) 6. To Consider and approve material Related Party Transaction (RPT) of sale of Overseas Direct Investments (ODI) 7. To Consider and approve limits prescribed under Section 186 of the Companies Act, 2013
2023-24	September 30, 2024	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	1. Disinvestment in Overseas wholly owned subsidiary (Essar Shipping DMCC, Dubai) Under Section 180(1)(A) of the Companies Act, 2013 2. Approval of general related party transactions

Extraordinary General Meeting (EGM):

There were no Extraordinary General Meetigs (EGMs) of the Company during the Financial Year 2024-25

Postal Ballot:

Special Resolutions put through Postal Ballot during the period:

There was one Postal Ballot event during the year which was completed on 23rd July, 2024. Following Special Resolutions were passed with requisite majority through Postal Ballot:

1. Disinvestment in Overseas Subsidiary (Energy II Limited, Bermuda) under Section 180(1)(a) of the Companies Act, 2013;
2. Disinvestment in Overseas wholly owned Subsidiary (OGD Services Holdings Limited, Mauritius) under Section 180(1)(a) of the Companies Act, 2013;
3. Approval of Material Related Party Transaction (RPT) of Sale of Overseas Direct Investments (ODI);
4. Approval of the Sale of Rig by OGD Services Holdings Limited, Mauritius to Essar Shipping DMCC, Dubai and Assignment of other Debts in favor of Essar Shipping DMCC, Dubai;
5. Approval of general related party transactions;
6. Approval of Issuance of Unlisted up to 7,82,00,000 1% p.a. Secured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (NCDS) to Abhinand Ventures Private Limited by conversion of Inter Corporate Deposits;
7. Approval of Issuance of Unlisted up to 3,40,00,000 8.25% p.a. Secured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (NCDS) to Abhinand Ventures Private Limited by conversion of Inter Corporate Deposits;
8. Approval of Issuance of Unlisted up to 2,92,00,000 1% p.a. Unsecured, Redeemable, Unlisted, Unrated, Non-Convertible Debentures (NCDS) to Essar Steel Metal Trading Limited (ESMTL) by conversion of Inter Corporate Deposits;
9. Appointment of Mr. Vipin Jain (DIN: 10174107) as a Whole Time Director.

Procedure adopted for Postal Ballot

In compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"), the Company provided electronic voting facility to all its members.

The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing electronic voting facility to all its members. The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories. The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date.

The Scrutinizer submitted his report to the Company Secretary of the Company, after the completion of scrutiny and the consolidated results of the voting by postal ballot were then announced by the Company Secretary, as authorised by the Board of Directors of the Company.

The results were displayed at the registered office of the Company and on the Company's website at https://www.essar.com/ and were available on the website of the Stock Exchanges and NSDL.

13. MEANS OF COMMUNICATION:

Quarterly / Half Yearly / Annual Financial Results and other Information about the Company	The Quarterly and Annual Financial Results are displayed on the Company's website: Essar Shipping Limited - Essar Published in newspapers such as Business Standard and Jai Hind in compliance with Listing Regulations
Presentation to Institutional Investors and to the Analyst	Press releases and presentations made to Institutional Investors and Analysts are displayed on the Company's website: Essar Shipping Limited - Essar
Management Discussion & Analysis	Forms part of the Annual Report, which is mailed to the Shareholders of the Company.

14. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting details

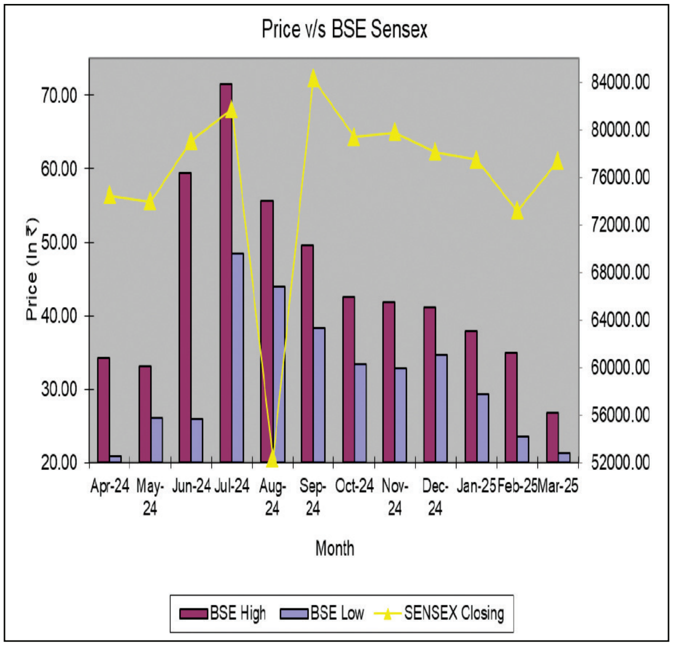
Annual General Meeting for the Financial Year 2024 -25	**Friday, 26th September, 2025**
Venue	Video Conferencing (VC)/Other Audio-Visual Means (OAVM) as approved by the Statutory Authorities. Venue recorded at Essar House, 11 K.K. Marg, Mahalaxmi, Mumbai – 400034
Time	03.00 PM
Book Closure Dates	September 20, 2025 to September 26 2025 (both days inclusive)
Financial year:	1st April 2024 to 31st March 2025
Annual Listing fees	The Company hereby confirms that Annual Listing Fees for financial year 2024-25 is paid to BSE and NSE.
Stock Code	BSE: 533704 NSE: ESSARSHPNG ISIN for NSDL/CDSL: INE122M01019

Listing on Stock Exchanges: The Ordinary Shares of the Company are listed and available for Trading on BSE Limited and the National Stock Exchange of India Limited.

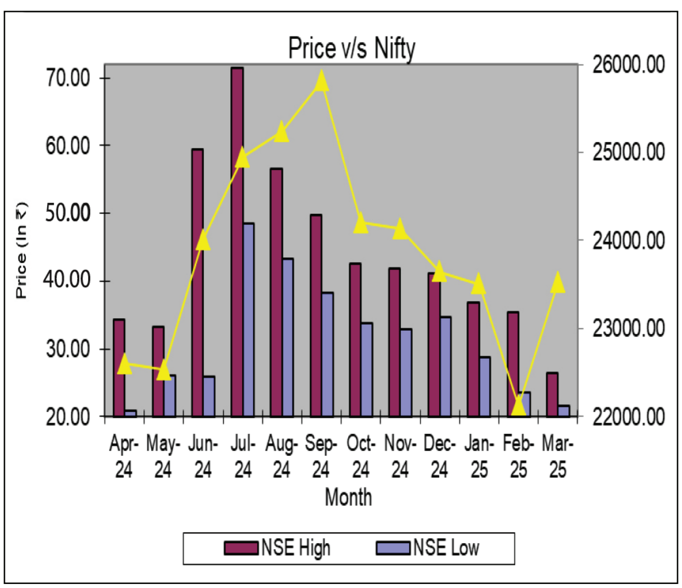
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra Kurla Complex, Bandra East
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001.

Performance of share price in comparison to BSE Sensex



Performance of share price in comparison to Nifty



Market price data (High/Low) during each month in the Year 2024-2025

BSE Limited		
Month	**Highest**	**Lowest**
April 2024	34.25	20.82
May 2024	33.19	26.15
June 2024	59.43	25.89
July 2024	71.57	48.51
August 2024	55.60	44.00
September 2024	49.65	38.35
October 2024	42.51	33.42
November 2024	41.87	32.83
December 2024	41.19	34.66
January 2025	37.88	29.27
February 2025	34.99	23.51
March 2025	26.80	21.25
Scrip Code: 533704		

National Stock Exchange of India Limited		
Month	**Highest**	**Lowest**
April 2024	34.40	20.90
May 2024	33.20	26.05
June 2024	59.45	25.85
July 2024	71.54	48.51
August 2024	56.50	43.25
September 2024	49.74	38.33
October 2024	42.63	33.85
November 2024	41.95	32.89
December 2024	41.14	34.70
January 2025	36.85	28.75
February 2025	35.40	23.56
March 2025	26.49	21.56
Scrip Code: ESSARSHPNG		

Registrars and Share Transfer Agents

Data Software Research Company Private Limited

19, Pycrofts Garden Road,
Off. Haddows Road, Nungambakkam,
Chennai - 600 006
Ph.No.+91-44-28213738/28214487
Fax No.+91-44-28214636
E-mail: **essar.shipping@dsrc-cid.in**

Share Transfer System

In terms of Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, securities can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories. Shareholders should communicate with M/s. Data Software Research Company Private Limited., the Company's Registrars and Transfer Agents (RTA) quoting their Folio No. or Depository Participant ID and Client ID No. for any queries to their securities. Requests for Dematerialization of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

Nomination Facility

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit to the R&T Agent of the Company the prescribed nomination form.

Distribution of Shareholding as on March 31, 2025

Distribution of Shareholding as on March 31, 2025				
No. of Equity Shareholders	No of Shareholders	% of Shareholders	Total No of Shares	% of Holding
Upto 5000	1,31,484	99.21	2,35,24,731	11.37
5001 to 10000	570	0.43	42,16,808	2.04
10001 to 20000	244	0.18	35,61,829	1.72
20001 to 30000	86	0.06	21,50,574	1.04
30001 to 40000	38	0.03	13,37,376	0.65
40001 to 50000	26	0.02	12,27,214	0.59
50001 TO 100000	40	0.03	28,96,867	1.40
100001 AND ABOVE	38	0.03	16,80,60,673	81.20
TOTAL	**1,32,526**	**100.00**	**20,69,76,072**	**100.00**

Dematerialisation of Shares as on March 31, 2025

Mode	No. of Shares	No. of Folio	%
Physical	20,83,312	44,129	1.01
Demat	20,48,92,760	88,397	99.99
TOTAL	**20,69,76,072**	**1,32,526**	**100**

Disclosures with respect to demat suspense account/ unclaimed suspense account:

Following is the details of shares in the demat suspense account or unclaimed suspense account, as applicable during the Financial Year 2024-2025:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	Nil
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Nil

Compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints.

The below table provides details of complaints received/ disposed during the financial year 2024-2025:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year.	NIL

Reconciliation and Share Capital Audit

As per the requirement of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018; a qualified practicing Company Secretary (M/s. V. Mahesh & Associates) carries out secretarial audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total Issued/Paid up Capital is in agreement with the total number of shares in physical from and the total number of dematerialized shares held with NSDL and CDSL.

Secretarial Audit

Mr. Mayank Arora, M/s. Mayank Arora & Co., Practicing Company Secretaries has conducted the secretarial Audit for the Financial Year 2024-2025. The Secretarial Audit Report is annexed with the Directors' Report.

Compliance Officer:

Mr. Bharat Modi, Company Secretary

Designated Email ID for Investors/Members:

esl.secretarial@essarshipping.co.in

Registered Office:

EBTSL Premises, ER-2 Building (Admn. Bldg.), Salaya, 44 KM, P.O. Box No. 7, Taluka Khambhalia, Devbhumi Dwarka, Gujarat - 361 305

Corporate Office:

Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

Tel: (022) 6660 1100, Fax: (022) 2354 4312

Email: esl.secretarial@essarshipping.co.in

CEO & CFO CERTIFICATE

[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Board of Directors,
Essar Shipping Limited

Subject: Certificate on financial statements for the financial year ended March 31, 2025 pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

We, Mr. Rajesh Desai, Director and Mr. Vipin Jain, Chief Financial Officer, have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2025 and that to the best of our knowledge and belief, we hereby certify that:

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.

(d) we have indicated to the Auditors and Audit Committee that:

(i) There are no significant changes in internal control over financial reporting during the year;

(ii) There are no significant changes in accounting policies during the year; and

(iii) There are no instances of significant fraud of which we are aware and which involve management or any employees, having significant role in the Company's internal control system over financial reporting.

For Essar Shipping Limited

Sd/-
Rajesh Desai
Director

Sd/-
Vipin Jain
Chief Financial Officer
DIN: 08848625

Mumbai,
13 August 2025

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT TO THE MEMBERS OF THE ESSAR SHIPPING LIMITED

The Company has framed a specific code of Conduct for the members of the Board and the Senior Management Personnel of the Company pursuant to Regulation 34(3), Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to further strengthen Corporate Governance practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said code of conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended March 31, 2025.

For Essar Shipping Limited

Sd/-
Rajesh Desai
Director
DIN: 08848625

13 August 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (I) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Essar Shipping Limited.
EBTSL Premises, ER-2 Building
(Admn. Building) Salaya 44 KM,
P.B. No 7 Taluka, Khambhalia,
Devbhumi Dwarka, Jamnagar, Khambhalia,
Gujarat, India, 361305

In our opinion and to the best of our information, verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) and according to our examination of the relevant records and information provided by **M/s. Essar Shipping Limited** ('the Company') and based on representation made by the Management of the Company for the period from 1st April, 2024 to 31st March, 2025 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, We hereby certify that **NONE** of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2025.

Sr. No.	Name of The Director	DIN No.	Designation	Date of Appointment
1	Rajesh Dhirubhai Desai	08848625	Director	30/09/2020
2	Suresh Ramamirtham	09299459	Director	31/08/2021
3	Jayakumar	09300654	Director	31/08/2021
4	Ketan Kantibhai Shah	02481491	Additional Director	29/05/2025
5	Sunil Bhargav Modak	09623865	Director	08/09/2022
6	Raichel Mathew	09625593	Director	08/09/2022
7	Vipin Jain	10174107	Whole-time Director	28/05/2024

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayank Arora & Co.,
Company Secretaries

Mayank Arora
(Partner)
Membership No.: F10378
COP No.: 13609
UDIN: F010378G001101523
PR No.: 5923/2024

Place: Mumbai
Date: 28.08.2025

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
Essar Shipping Limited
EBTSL Premises, ER-2 Building
(Admn. Building) Salaya 44 KM,
P.B. No 7 Taluka, Khambhalia,
Devbhumi Dwarka, Jamnagar, Khambhalia,
Gujarat, India, 361305

We have examined all the relevant records of **M/s. Essar Shipping Limited** ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance for the year ended 31st March, 2025 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI (LODR) Regulations, 2015)

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations except the following:

1. *Pursuant to regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the company was required to make disclosure of related party transactions after every six months on the date of publication of its standalone and consolidated financial results with effect from April 01, 2023; however the company has filed the related party transaction details with 1 (one) day delay for both half year ended i.e. March 31, 2024, therefore the company has paid the relevant fine as levied by BSE and NSE within the relevant timeline and also applied for waiver of the same.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Mayank Arora & Co.,
Company Secretaries

Mayank Arora
(Partner)
Membership No.: F10378
COP No.: 13609
UDIN: F010378G001101556
PR No.: 5923/2024

Place: Mumbai
Date: 28.08.2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Essar Shipping Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the Standalone Financial Statements of Essar Shipping Limited ("the Company"), which comprises of the balance sheet as at March 31, 2025, the statement of profit and loss (including Other Comprehensive Income), statement of cash flows and the statement of changes in equity for the year then ended and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit (financial position including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

3. Material Uncertainty Related to Going Concern

We draw attention to Note No. 28 to the Standalone Financial Statements, which indicates that as on March 31, 2025, the Company has accumulated losses of ₹ 6,520.75 crore as against capital and reserves of ₹ 5,217.75 crore. The Company has defaulted on several loans and some of the lenders of the Company's subsidiary (which has gone into liquidation) where the Company is a Guarantor, have filed application before various forums for recovery of overdue amounts and / or enforcement of guarantees. The Company has disposed off most of its assets and some of the investments with a view to pay off its outstanding dues to lenders / vendors. The Company's current liabilities exceed its current assets as on March 31, 2025. This indicates that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern.

The Company, however, has represented that, as mentioned in Note No. 28 to the Standalone Financial Statements, the Company has earned operating income by way of hire charges and management fees and is taking steps to rectify the mismatch in working capital. In view of the above, the Company has prepared the accounts as a going concern.

Our opinion on the Standalone Financial Statements is not modified for the above matter.

4. Emphasis of Matter

(i) We draw attention to our observations in paragraph 3 above whereby, in spite of several factors mentioned therein, the Standalone Financial Statements are prepared on "Going Concern" basis.

(ii) In an earlier year, the Company had settled the loan with a bank and paid the dues through monetisation of assets and recognised gain on settlement. Post settlement, the Bank had assigned the said loan to an Asset Reconstruction Company (Assignee Company). Pending outstanding bank guarantee (which was withdrawn during the year ended 31st March 2024) and pending Group level settlement, 'No Due Certificate' (NOC) was not received from the Bank or the Assignee Company till March 31, 2024.

During the year, the Company has paid an amount of ₹ 0.60 crore and received the NOC from the Assignee Company. The amount paid has been charged to the Statement of Profit and Loss and has been shown as an exceptional item.

(iii) We draw attention to Note No. 3(A) and 8 of the Standalone Financial Statements relating to agreement for sale of shares held by the Company in a subsidiary. During the year, part of the consideration amounting to USD 52,499,960 has been received and sale of shares to the extent of consideration received has been recognised in the books of account. The Company has filed necessary forms with the Reserve Bank of India in this regard. The balance shares are held for sale and have been disclosed accordingly.

(iv) We draw attention to Note No.19(B) of the Standalone Financial Statements relating to payment of ₹ 50.83 crores to two banks during the year towards One Time Settlement (OTS) between the said banks and a step-down subsidiary of the Company.

In respect of one bank, the Company has settled the loan and paid the dues and 'no dues certificate' has been received from the said bank. The Company does not expect any additional liability to devolve in this regard. In respect of the other Bank, the OTS is yet to be concluded.

Since the entire amount paid is doubtful of recovery from the step-down subsidiary, the same has been fully provided for.

(v) The Company has netted off of ₹ 331.26 Crore payable to a wholly owned overseas subsidiary with the amount receivable from the said subsidiary. This is subject to pending application and approval from the regulatory authorities.

Our opinion on the Standalone Financial Statements is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern paragraph, we have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	Auditor's Response
Going concern As on March 31, 2025, the Company has accumulated losses of ₹ 6,520.75 crore as against capital and reserves of ₹ 5,217.75 crore. Some of the Lenders of the Company's Subsidiary (which has gone into liquidation) where the Company is a Guarantor, have filed applications before the High Court / National Company Law Tribunal / Debt Recovery Tribunals for recovery of overdue amounts and / or enforcement of guarantees. The Company has disposed off most of its assets and some of the investment in subsidiaries with a view to pay off its outstanding dues to lenders / vendors. The Company's current liabilities exceed its current assets as on March 31, 2025. All these factors indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. (Refer Note No. 28 of Standalone Financial Statements).	Our audit procedures included but was not limited to the following activities: 1. Assessing steps taken by the Management to meet liabilities as and when they become due for payment. 2. Obtained and evaluated the Company's plans to repay the loans (with interest) through communication letters and the extent of steps taken for the same. 3. Evaluating legal and other developments related to the Company and / or its subsidiaries based on Minutes of the Audit Committee and Board of Directors. We found the key assumptions were supported by the available evidence. Based on the audit procedures performed, we found disclosures in the Standalone Financial Statements to be appropriate.
Evaluation of Litigation matters The Company has certain significant open legal proceedings for various matters with the Lenders of Company's Subsidiary & Customers, continuing from earlier years (Refer Note No. 22 of Standalone Financial Statements)	Our audit procedures included but was not limited to the following activities: Assessing management's position through discussions with the management including review of external legal opinions obtained by the Company (where considered necessary) on both, the probability of success in the aforesaid cases and the magnitude of any potential loss. Discussion with the management on the development in these litigations during the year ended March 31, 2025. Review of the disclosures made by the Company in the Standalone Financial Statements in this regard. Obtaining a representation letter from the management on the assessment of these matters (including the basis of the judgement).

Information other than the Standalone financial Statements and Auditor's Report thereon

The Company's Management and the Board of Directors is responsible for the preparation of the Other Information. The Other Information comprises of the information included in the Annual Report including its annexures, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our independent auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Other Information, we are required to report that fact.

Responsibilities of the management and those charged with governance for the Standalone Financial Statements

The Company's Management and the Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management and the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management or the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and the Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control systems in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone Financial Statements.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) evaluating the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Standalone Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. The matters described under "Emphasis of Matter" paragraph and the Going Concern matter described under the "Material Uncertainty Related to Going Concern" paragraph, in our opinion, may have an adverse effect on the functioning of the Company.

   f. On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

   g. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act.

   i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      a) The Company does not have any pending litigations on its financial position in its Standalone Financial Statements, other than as mentioned in Note No. 22 to the Standalone Financial Statements.

b) The Company did not have any long-term contracts including derivatives for which there were any material foreseeable losses.

c) The Company is not required to transfer any amount to the Investor Education and Protection Fund during the ended March 31, 2025.

d) i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts (refer Note no.31), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

i) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (refer Note No.32), no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

ii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

e) The Company has not declared or paid any dividend during the year.

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with, in respect of accounting software for which the audit trail feature was operating. The Company has complied with the statutory requirements of preservation of the audit trail for transactions recorded in the software except for audit trail at the database level for accounting software SAP to log in any direct changes.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961 W/W - 100036

Diwakar Sapre
Partner
Membership No. 040740
UDIN: 25040740BMIGMH7659

Place: Mumbai
Date: May 29, 2025

Annexure – A to the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2025.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets.

(b) Property, plant and equipment have been physically verified by the management at the year-end in accordance with a regular program of verification. The discrepancies noticed on such verification, which in our opinion are not material, have been appropriately dealt with in the books of account.

(c) The title deeds of immovable properties, comprising of freehold land, disclosed in the Financial Statements is held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) during the year. The Company does not have any intangible assets.

(e) The Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company did not hold any inventory throughout the year and therefore reporting under paragraph 3 (ii) of the Order is not applicable to the Company for the year under audit.

(iii) During the year, the Company has granted fresh loans to its subsidiary company. The details of balance outstanding at the balance sheet date in respect of loan to subsidiaries are as under:

(₹ In crore)

Particulars	Loan amount granted during the year	Closing balance as at March 31, 2025
Loan to subsidiaries	50.83	852.77 (Fully impaired)

The said loan has been fully impaired by the Company in its books of account. Other than the above, the Company has not given any loan, made any investments in, provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. There are no loans that have fallen due during the year which have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and securities, as applicable.

(v) The Company has not accepted any deposits or amounts deemed to be deposits to which directives of the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, reporting under paragraph 3(v) of the Order is not applicable to the Company for the year under audit.

(vi) The Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Act. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company for the year under audit.

(vii) (a) Except for delay of two days in payment of goods and service tax, the Company has been generally regular in depositing undisputed statutory dues including provident fund, income tax, duty of customs, goods and service tax and other material statutory dues as applicable with appropriate authorities. There are no undisputed statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) The particulars of dues of Income Tax, Goods and Service tax, Duty of Customs and Duty of Excise or cess as at March 31, 2025, which have not been deposited on account of a dispute, are as follows:

(₹ in Crore)

Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where the matter is pending
Income Tax Act, 1961	Income Tax	14.98	A.Y. 2011-12	The High Court of Bombay
Income Tax Act, 1961	Income Tax	18.13	A.Y. 2012-13	The High Court of Bombay
Income Tax Act, 1961	Income Tax	31.80	A.Y. 2013-14	The High Court of Bombay
Income Tax Act, 1961	Income Tax	37.55	A.Y. 2014-15	The High Court of Bombay

Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where the matter is pending
Income Tax Act, 1961	Income Tax	75.25	A.Y. 2016-17	The High Court of Bombay
Income Tax Act, 1961	Income Tax	0.28	A.Y. 2016-17	CIT (Appeal)
Income Tax Act, 1961	Income Tax	56.95	A.Y. 2017-18	The High Court of Bombay
Income Tax Act, 1961	Income Tax	0.19	A.Y. 2017-18	CIT (Appeal)
Income Tax Act, 1961	Income Tax	73.63	A.Y. 2018-19	The High Court of Bombay
Income Tax Act, 1961	Income Tax	2.61	A.Y. 2018-19	CIT (Appeal)
Income Tax Act, 1961	Income Tax	0.38	A.Y. 2021-22	Appeal with ITAT
Income Tax Act, 1961	Income Tax	7.29	A.Y. 1992-93	The High Court of Bombay

(viii) There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, (43 of 1961).

(ix) a) The Company has defaulted in redemption of Foreign Currency Convertible Bonds (FCCB), details of such defaults (including defaults continuing at the balance sheet date) are as under:

(Amount in ₹ Cr)

Lender Name	Amount of default of principal due	Amount of default of interest*	Period of Default
FCCB	550.22	-	97 days
FCCB	124.53	-	113 days
FCCB	38.04	-	117 days
FCCB	41.62	-	152 days
FCCB	83.08	-	166 days
FCCB	165.95	-	188 days
FCCB	250.17	-	280 days
FCCB	41.47	-	291 days
FCCB	41.81	-	307 days
FCCB	200.59	-	471 days
Total	**1537.62**	**-**	

*Interest waived till July 31, 2024, or date of repayment whichever is earlier

**The entire of FCCB has been fully redeemed on July 12, 2024 and there is no default as at the balance sheet

b) As informed to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) On an examination of records of the Company, we report that the term loans were applied for the purpose for which the loans were obtained.

d) On an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e) The Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company for the year under audit.

b) During the year, the Company has issued 6,00,00,000 (interest rate 1%) and 2,50,00,000 (interest rate 8.25%) secured redeemable unlisted non-convertible debentures and 2,50,00,000 (interest rate 1%) unsecured, redeemable, unlisted, non-convertible debentures of face value of ₹100 each (NCDs), aggregating to ₹ 1100 crore on a private placement basis. The requirements of section 42 of the Companies Act, 2013 have been complied with. The funds raised have been used for the purposes for which the funds were raised.

(xi) a) There are no instances of fraud by the Company or on the Company noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi company and therefore reporting under paragraph 3 (xii) of the Order is not applicable to the Company for the year under Audit.

(xiii) The Company is in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

(xiv) a) In our opinion, the Company has an internal audit system which is commensurate with the size and nature of its business.

b) Based on the Internal Audit Reports made available to us, we have considered the observations of the internal auditors of the Company, in determining the nature, timing and extent of our audit procedures, for the year under audit.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company for the year under audit.

(xvi) a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, reporting under paragraph 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company for the year under audit.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under paragraph 3(xvi) (d) of the Order is not applicable to the Company for the year under audit.

(xvii) The Company has not incurred cash losses during the financial year before considering exceptional items. The Company has incurred cash losses of ₹ 19.16 Crore during immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditors of the Company during the year and accordingly the reporting under paragraph 3(xviii) is not applicable to the Company for the year under audit.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company or otherwise.

(xx) Considering that the Company does not have profits, provisions relating to Corporate Social Responsibility are not applicable to the Company. Accordingly, reporting under paragraph 3(xx) of the Order is not applicable to the Company for the year under audit.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961 W/W - 100036

Diwakar Sapre
Partner
Membership No. 040740
UDIN: 25040740BMIGMH7659

Place: Mumbai
Date: May 29, 2025

Annexure - B to the Independent Auditors' Report of even date on the standalone financial statements of Essar Shipping Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of **Essar Shipping Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control with respect to financial statements based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No.: 101961 W/W - 100036

Diwakar Sapre
Partner
Membership No. 040740
UDIN: 25040740BMIGMH7659

Place: Mumbai
Date: May 29, 2025

Balance Sheet as at 31 March, 2025

(₹ in crore)

	Particulars	Note no.	As at 31 March, 2025	As at 31 March, 2024
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipment	2	2.30	3.07
	(b) Investments	3	0.00	0.00
	(c) Other non-current assets	4	4.61	0.10
	Total non-current assets		**6.91**	**3.18**
2	**Current assets**			
	(a) Financial assets			
	i. Investments in Mutual Funds	5 (A)	0.04	0.04
	ii. Trade and other receivables	5 (B)	15.52	5.73
	iii. Cash and bank balances	6 (A)	2.58	5.89
	iv. Loans	6 (B)	0.00	0.00
	v. Other financial assets	6 (C)	0.08	305.17
	(b) Other current assets	7	8.48	6.38
	(c) Asset classified as held for sale	8	24.18	-
	Total current assets		**50.87**	**323.21**
	TOTAL ASSETS		**57.78**	**326.38**
	EQUITY AND LIABILITIES			
1	**Equity**			
	Equity share capital	9 (A)	206.98	206.98
	Other Equity			
	Reserves and surplus	9 (B)	(1,509.98)	(1,881.22)
	Total equity		**(1,303.00)**	**(1,674.24)**
	Liabilities			
2	**Non-current liabilities**			
	(a) **Financial liabilities**			
	i. Borrowings	10(A)	1,108.25	622.74
	(b) Provisions	11	0.16	-
	Total non-current liabilities		**1,108.41**	**622.74**
3	**Current liabilities**			
	(a) **Financial liabilities**			
	i. Short Term Borrowings	10(A)	150.10	1,311.89
	ii. Trade payables			
	- Total outstanding dues to micro and small enterprises	10(B)	0.07	-
	- Total outstanding dues to creditors other than micro and small enterprises	10(B)	22.30	18.48
	iii.Other financial liabilities	10(C)	76.68	42.70
	(b) Employee benefit obligations	11	2.63	2.56
	(c) Other current liabilities	12	0.60	2.25
	Total current liabilities		**252.37**	**1,377.88**
	Total liabilities		**1,360.78**	**2,000.62**
	TOTAL EQUITY AND LIABILITIES		**57.78**	**326.38**

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W-100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740
Mumbai
29 May, 2025

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Mumbai
29 May, 2025

Standalone Statement of Profit and Loss for the year ended 31 March, 2025

(₹ in crore)

Particulars	Note no.	Year ended 31 March, 2025	Year ended 31 March, 2024
Income:			
Revenue from operations	13	20.50	15.76
Other income	14	292.79	34.36
Total Income		**313.29**	**50.12**
Expenses:			
Operating expenses	15	-	0.27
Employee benefits expense	16	8.72	7.61
Finance costs	17	76.32	46.95
Depreciation	2	0.76	0.74
Other expenses	18	12.42	14.45
Total expenses		**98.22**	**70.02**
Profit/ (loss) before exceptional items and tax		**215.06**	**(19.90)**
Exceptional items	19		
Income		252.48	15.72
Expenses		(96.43)	(66.99)
Profit/ (loss) after exceptional items and before tax		**371.12**	**(71.18)**
Current tax	20	-	0.83
Profit /(loss) for the year after exceptional items		**371.12**	**(70.35)**
Items that will not be reclassified subsequently to profit and loss account			
Actuarial gain / (loss) on remeasurement of the Defined Benefit Plans		(0.17)	(0.41)
Total other comprehensive gain / (loss) for the year		**(0.17)**	**(0.41)**
Total comprehensive profit / (loss) for the year		**370.95**	**(70.76)**
Earnings per share before exceptional items (EPS)			
(a) Basic (in ₹)		10.39	(0.92)
(b) Diluted (in ₹)		10.39	(0.92)
Earnings per share after exceptional items (EPS)			
(a) Basic (in ₹)		17.93	(3.40)
(b) Diluted (in ₹)		17.93	(3.40)

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W-100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740
Mumbai
29 May, 2025

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Mumbai
29 May, 2025

Standalone Statement of Cash Flows for the year ended 31 March, 2025

(₹ in crore)

	Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before tax	371.12	(71.18)
	Adjustments for :		
	Exceptional Items		
	- Interest Income on Claims receivable	(44.97)	(9.12)
	- Write off of claims receivable	45.08	66.99
	- Reversal of provision for impairment as per Ind AS 36 in the fair value of an associate based on management assessment.	(175.36)	-
	- Provision for Impairment of loans and advances receivable from Subsidiary	50.83	-
	- Reversal of Provision for impairment of loans & advances receivable from subsidiary	(32.15)	-
	- One Time Settlement charged paid to banks/ FIs	0.60	-
	Gain on sale/Fair Vale of current investment measured at FVTPL	(0.00)	(0.04)
	Gain on One Time Settlement	-	(6.60)
	Other non-operating income	(0.09)	(17.23)
	Depreciation	0.76	0.74
	Finance costs	76.32	46.95
	Profit on sale of land	(0.47)	-
	Interest income	(0.17)	(1.10)
	Gain on sale of investment in a associate	(159.10)	(13.87)
	Realised foreign exchange gains	(132.95)	-
	Operating profit before working capital changes	**(0.57)**	**(4.45)**
	Changes in working capital:		
	(Increase) / Decrease in trade receivables, loans and advances and other assets	(8.01)	(7.39)
	Increase / (Decrease) in trade payables, other liabilities and short term provisions	(40.05)	(60.02)
	Cash generated from operations	**(48.63)**	**(71.86)**
	Income taxes refunded / (paid), net	(4.50)	1.84
	Net cash generated from operating activities	**(53.13)**	**(70.02)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment of capital expenditure on Property, Plant and Equipment including capital advances and Capital Work in Progress	-	(0.12)
	Proceeds from sale of property, plant and equipment	0.52	-
	(Purchase) / Sale of Current Investments (Net)	(0.00)	1.71
	Proceeds/(Investment) in Bank deposits	2.82	18.26
	Paid on behalf of subsidiary as a Guarantor	(50.83)	-
	Proceeds from sale of investments	443.23	49.64
	Intercorporate deposits repaid back by Subsidiary	32.15	9.12
	Interest received	0.17	1.17
	Net cash (used in) / generated from investing activities	**428.05**	**79.76**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds to Deposits (net)	298.10	(2.68)
	Proceeds from long-term loans	-	292.37
	Proceeds from intercorporate deposits	-	8.42
	Proceeds from short-term loans	825.89	778.11
	Repayment of Non Convertible Debentures	(320.00)	-
	Repayment of intercorporate deposits	(4.54)	(68.24)
	Repayment of Long-term borrowings	(33.95)	(8.07)
	Repayment of FCCBs	(534.18)	(1,003.45)
	Repayment of short-term loans	(609.51)	(0.40)
	Finance costs paid	(1.11)	(1.72)
	Net cash used in financing activities	**(379.29)**	**(5.66)**
	INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(4.36)**	**4.09**
	Unrealised foreign currency loss on cash and cash equivalents	-	-
	Cash and cash equivalents at the beginning of the year	4.80	0.71
	Cash and cash equivalents at the end of the year	**0.43**	**4.80**

Note:

Reconciliation between cash and cash equivalents and cash and bank balances.

	Particulars	As at 31 March, 2025	As at 31 March, 2024
	Cash and cash equivalents as per cash flow statement	0.43	4.80
	Add: Margin money deposits not considered as cash and cash equivalents as per Ind AS-7	-	-
	Cash and bank balances (Restricted and Unrestricted)	**0.43**	**4.80**

Notes to the statement of cash flows and disclosure of non cash transactions:

1) The statement of cashflow is prepared in accordance with the format prescribed as per Ind-AS 7

2) In Part-A of Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in bracket indicate cash outflows.

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W-100036

Diwakar Sapre
Partner
Membership No. 040740
Mumbai
29 May, 2025

For and on behalf of the Board

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Mumbai
29 May, 2025

Standalone Statement of Changes in Equity for the period ended 31 March, 2025

A. Equity Share Capital

(1) For the year ended March 31, 2025

(₹ in crore)

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at the April 1, 2024	Changes in equity share capital during the year 2024-25	Balance as at March 31,2025
206.98	-	206.98	-	206.98

(2) For the year ended March 31, 2024

(₹ in crore)

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at the April 1, 2023	Changes in equity share capital during the year 2023-24	Balance as at March 31,2024
206.98	-	206.98	-	206.98

B. Other Equity

(1) For the year ended March 31, 2025

(₹ in crore)

	Reserves and Surplus								Total
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	Share options outstanding reserve	Tonnage tax (utilised) reserve	Tonnage tax reserve	General reserve	Other comprehensive income	
Balance as on 1 April, 2024	3.36	(6,891.87)	-	0.61	-	-	5,001.38	5.59	(1,881.21)
Changes in accounting policy or prior period errors									
Restated balance at the beginning of the current reporting period									
On Account of Adoption of Ind AS during the year									
Profit after tax for the year		371.12							371.12
Other Comprehensive Income (Net of tax expenses) for the year								(0.17)	(0.17)
Total Comprehensive Income for the current year		371.12						(0.17)	370.95
Transferred to General Reserve							-		
Balance as on 31 March, 2025	3.36	(6,520.75)	-	0.61	-	-	5,001.38	5.42	(1,509.98)

(2) For the year ended March 31, 2024

(₹ in crore)

	Reserves and Surplus								
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	Share options outstanding reserve	Tonnage tax (utilised) reserve	Tonnage tax reserve	General reserve	Other comprehensive income	Total
Balance as on 1 April, 2023	**3.36**	**(6,821.52)**	**-**	**0.61**	**-**	**-**	**5,001.38**	**6.00**	**(1,810.45)**
Changes in accounting policy or prior period errors									
Restated balance at the beginning of the current reporting period									
On Account of Adoption of Ind AS during the year									
Profit after tax for the year		(70.35)							**(70.35)**
Other Comprehensive Income (Net of tax expenses) for the year								(0.41)	**(0.41)**
Total Comprehensive Income for the current year		**(70.35)**						**(0.41)**	**(70.76)**
Transferred to General Reserve									
Balance as on 31 March, 2024	**3.36**	**(6,891.87)**	**-**	**0.61**	**-**	**-**	**5,001.38**	**5.59**	**(1,881.21)**

See accompanying notes forming part of the Standalone Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W-100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740
Mumbai
29 May, 2025

Vipin Jain
Chief Financial Officer

Mumbai
29 May, 2025

Bharat Modi
Company Secretary
Membership No. A67152

Notes forming part of the Standalone Financial Statements

Corporate information

Essar Shipping Limited ("the Company") was incorporated in September 2010 and is listed on the Bombay Stock Exchange and National Stock Exchange in India. The Company is mainly engaged in fleet operating and chartering activities and operates international and coastal voyages. The Company has also directly and/or through its subsidiaries and associates invested in diverse business verticals viz. Fleet operating and chartering (tankers and dry bulkers), Oilfields services (land rigs and semi- submersible rig) and logistics services (trucks, trailers and tippers). The place of business of the Company is in Mumbai, India.

1. **Significant accounting policies**

   a) **Basis of preparation**

   The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as Ind-AS) notified under section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

   The company's presentation and functional currency is Indian Rupees. All amounts in these financial statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in crore.

   All accounting policies used in the preparation of these financial statements are consistent with those used in the previous year.

   Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 29th May, 2025.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value amount:

- Certain financial assets and liabilities (including derivative instruments) and
- Defined Benefit Plans - Plan assets.

Going concern basis of accounting

These accounts have been prepared on a going concern basis.

In assessing the Company's going concern status, the Management has taken account of:

- the financial position of the Company;
- anticipated future business performance;
- Expected settlement with lenders;
- its capital investment plans;
- the likelihood of any material adverse legal judgments.

Refer Note 28 for further details.

   b) **Use of estimates**

   The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable.

   The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

   Critical estimates and judgments

   This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of Defined benefit obligation - refer note 10

Estimation of current tax expenses and Payable - refer note 19

Useful lives of property, plant and equipment- refer note 2

Impairment of investments in subsidiaries & associate – refer note 3 and 18

Going Concern- refer note 28

Contingent Liabilities – refer note 22

Fair Value measurement of financial instrument – refer note 20

c) Current versus non-current classification

The company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current/non-current as per the Company's normal operating cycle and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

When significant parts of PPE are required to be replaced at intervals, company depreciates them separately based on their specific useful lives.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

<u>Capital Work in Progress:</u>

Capital work in progress is stated at cost, net of impairment losses, if any.

<u>Depreciation:</u>

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013

Assets costing less than ₹ 5,000/- are fully depreciated in the year of capitalization. Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions /deductions, as the case may be.

The property plant and equipment acquired under finance lease is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

e) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Short term lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard prospectively to its leases.

g) Impairment of non-financial assets

Non-financial assets other than inventories are reviewed at each standalone balance sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing is required for an asset or group of Assets, called Cash Generating Units (CGU), the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h) Valuation of Inventory

Cost of Inventories includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebated and discounts, if any. Inventories are valued at the lower of cost determined on first-in-first-out basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value is the estimated selling price in the ordinary course of business.

i) Revenue recognition

Fleet operating & chartering earnings represent the value of charter hire earnings, demurrage, freight earnings and fleet management fees, and are accounted on accrual basis in accordance with Ind AS 115. Freight earnings are recognised on a pro-rata basis for voyages in progress at standalone balance sheet date after loading of the cargo is completed and Bill of Lading is obtained. Revenues and related expenses for voyages where cargo has not been loaded as on the standalone balance sheet date are deferred and recognised in the following year. Normal credit period generally does not exceed 20-30 days.

The Company recognises revenue from contract with customers based on a five-step model as set out in Ind AS 115:

Step 1. Identify Contracts with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price of services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of contract.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Supervision and Management Fees

Revenue from sale of services is recognized on accrual basis as and when the related services are rendered as per the terms of the contract with the customer.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR).

Dividend income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

j) Fleet operating expenses

All expenses relating to the operation of the fleet including crewing, insurance, stores, bunkers, charter hire and special survey costs, are expensed under fleet operating expenses on accrual basis. Dry-docking expenses are amortised over 30 months.

k) Employee benefits

i) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

ii) Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the standalone balance sheet date.

iii) Post employment benefit plan

The Company (employer) and the employees contribute a specified percentage of eligible employees' salary- currently 12%, to the employer established provident fund "Essar Shipping Limited Employees Provident Fund" set up as an irrevocable trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on government specified minimum rates of return – currently @ 8.5%, and recognises such provident fund liability, considering fund as the defined benefit plan, based on an independent actuarial valuation carried out at every statutory year end using the Projected Unit Credit Method.

Provision for gratuity for floating staff is made as under:

(i) For offshore officers on actuarial valuation.

(ii) For offshore crew on accrual basis as per rules of the National Maritime Board and is charged to the Statement of Profit and Loss.

Contribution to defined contribution retirement benefit schemes are recognised as expense in the Statement of Profit and Loss, when employees have rendered services entitling them to contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each standalone balance sheet date. Actuarial gains and losses are recognised in full in Other Comprehensive Income, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and is otherwise amortised on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the standalone balance sheet represents the present value of the defined benefit obligation and is adjusted both for unrecognised past service cost, and for the fair value of plan assets.

Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme, if lower.

iv) Employee Options

The fair value of the options granted under the value of the Company, Employee Option Plan is recognised as employee benefits expense with the corresponding increase in equity. The total amount to be expensed is determined by the reference to the fair value of the options granted:

- including any market conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (profitability, sales growth targets and remaining an employee of the Company over the specified period), and
- including the impact of any non-vesting conditions (e.g. the requirement for the employee to save or holding shares for the specific period of time)

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimate of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with the corresponding adjustments to equity.

l) Foreign currencies

(i) Functional and presentation currency

The Company's financial statements are presented in Indian Rupee (INR), which is also the Company's functional and presentation currency.

(ii) Transaction and balances

Transactions in foreign currencies are translated into functional currency using the exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the yearend exchange rates are generally recognised in Statement of Profit and loss. They are deferred in Equity if they relate to qualifying cash flow hedges. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the Company's net investment in that foreign operations.

Foreign exchanges differences regarded as adjustments to borrowing costs are presented in the statement of Profit and loss, within finance cost. All other foreign exchange gains and losses as presented in the Statement of Profit and loss on a net basis within other gains / (losses).

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

Non-monetary items that are measured in terms of historical cost in a foreign currency, are translated using exchange rates on dates of initial recognition.

Exchange differences relating to Long term foreign currency monetary items are accounted in terms of para D13AA of Ind-AS 101 as under:

(i) In so far as they relate to the acquisition of a depreciable capital asset, such differences are added to/deducted from the cost of such capital asset and depreciated over the balance useful life of the asset

(ii) In other cases, such differences are accumulated in "Foreign currency Monetary Items Translation differences account and amortised in the statement of Profit and loss over the balance useful life of the long term foreign currency monetary item.

m) **Investment in Subsidiaries and Associates**

Investments in subsidiaries and associates are recorded at cost and reviewed for impairment at each reporting date.

n) **Provisions and Contingencies**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each standalone balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Standalone Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

o) **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

p) **Financial assets**

<u>Initial recognition and measurement</u>

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income (FVTOCI) or Fair Value through Profit and Loss (FVTPL).

Financial Assets measured at amortised cost

Financial Assets such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at FVTOCI

A Financial Asset is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI).

Financial Assets measured at FVTPL

FVTPL is a residual category for Financial Assets excluding investments in subsidiary and associate companies. Any Financial Asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss.

Derecognition

A financial Asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - a) The Company has transferred substantially all the risks and rewards of the asset, or
  - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all Financial Assets (other than Financial Assets measured at FVTOCI) and equity investments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of

Financial Assets measured at FVTOCI and that are accumulated in OCI are reclassified to Statement of Profit And Loss on de-recognition. Gains or losses on equity investments measured at FVTOCI that are recognized and accumulated in OCI are not reclassified to Statements of Profit and Loss on de-recognition.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets measured at FVTOCI.

In case of other assets (listed as a) above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

q) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities designated upon initial recognition as at FVTPL.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Financial liabilities at amortized cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through Statement of Profit and Loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

Foreign currency convertible bonds (FCCBs)

FCCBs are separated into liability and equity components based on the terms of the contract. On issuance of the FCCBs, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are apportioned between the liability and equity components of the FCCBS based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Offsetting of Financial Assets and Liabilities

In accordance with Ind AS 32, Financial Assets and Financial Liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

r) Taxes on income

Current tax is the amount of tax payable as per special provisions relating to income of shipping companies under the Income Tax Act, 1961 on the basis of deemed tonnage income of the Company and tax payable on other taxable income for the year determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Standalone balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Standalone Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Further, the Company is paying taxes on the basis of deemed tonnage income therefore there is no impact on deferred tax.

s) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including and excluding the post-tax effect of exceptional items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including and excluding the post-tax effect of exceptional items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

t) Cash and Cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Standalone balance sheet.

u) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

v) Segment reporting

Operating segments are defined as components of an enterprise for which available discrete financial information is evaluated based on a single operating segment “Shipping”, regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

w) Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary to explain the performance of the Company for the year, the Company makes a disclosure of the nature and amount of such items separately under the head “Exceptional Items”.

2. Property, plant and equipment

Particulars	Land	Buildings	Plant & machinery	Fleet	Furniture and fixtures	Vehicles	Office equipment	Total
	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)	(₹ in crore)
Gross Block								
As at 01.04.2023	0.13	2.21	-	87.54	0.11	0.03	0.45	**90.47**
Additions	-	-	-	-	-	-	0.13	**0.13**
Dry-docking capitalised	-	-	-	-	-	-	-	**-**
Exchange differences	-	-	-	-	-	-	-	**-**
Disposals/ Retirement	-	-	-	(38.84)	-	-	-	**(38.84)**
As at 31.03.2024	**0.13**	**2.21**	**-**	**48.70**	**0.11**	**0.03**	**0.57**	**51.75**
Additions	-	-	-	-	-	-	0.01	**0.01**
Dry-docking capitalised	-	-	-	-	-	-	-	**-**
Exchange differences	-	-	-	-	-	-	-	**-**
Disposals/ Retirement	(0.02)	(2.21)	-	(45.16)	-	-	-	**(47.39)**
As at 31.03.2025	**0.11**	**-**	**-**	**3.54**	**0.11**	**0.03**	**0.59**	**4.37**
Accumulated Depreciation								
As at 01.04.2023	-	2.21	-	84.00	0.11	0.03	0.43	**86.78**
Additions	-	-	-	0.71	-	-	0.03	**0.74**
Disposals/ Retirement	-	-	-	(38.84)	-	-	-	**(38.84)**
As at 31.03.2024	**-**	**2.21**	**-**	**45.88**	**0.11**	**0.03**	**0.46**	**48.68**
Additions	-	-	-	0.71	-	-	0.05	**0.76**
Disposals/ Retirement	-	(2.21)	-	(45.16)		-	**-**	**(47.37)**
As at 31.03.2025	**-**	**-**	**-**	**1.43**	**0.11**	**0.03**	**0.51**	**2.08**
Net Block								
As at 31.03.2024	**0.13**	**-**	**-**	**2.82**	**-**	**-**	**0.12**	**3.07**
As at 31.03.2025	**0.11**	**-**	**-**	**2.11**	**-**	**-**	**0.08**	**2.30**

(I) During the year, company has sold land of book value ₹ 0.02 crore and booked profit on sale of ₹ 0.16 crore (Refer Note 14)

(II) During the year, company has sold building of book value Nil (fully depreciated in books) and booked profit on sale of ₹ 0.31 crore (Refer Note 14)

(III) Assets have been written off during the year - as the neither related products are being manufactured nor the Assets are being used.

3 Non-current investments

	Particulars	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
a)	**Investments in equity shares of subsidiaries (unquoted, fully paid up, at cost)**		
	39,037,276 (previous year 39,037,276) Equity shares of US$ 1 each of Energy II Limited [Refer Foot note (i) and (ii)]	175.36	175.36
	Less: Provision for impairment	-	(175.36)
	Less: Sold during the year	(151.18)	-
	Less: Assets held for Sale	(24.18)	-
	137,122 (previous year 137,122) Equity shares of AED 1,000/- each of Essar Shipping DMCC, Dubai [Refer Foot note (i)]	252.66	252.66
	Less: Provision for impairment	(252.66)	(252.66)
	246,600,001 (previous year 246,600,001) Equity shares of US$1/- each of OGD Services Holdings Limited [Refer Foot note (i)]	4,747.78	4,747.78
	Less: Provision for impairment	(4,747.78)	(4,747.78)
	Total (a)	**-**	**-**
b)	**Investments in equity shares of associate (unquoted, fully paid up, at cost)**		**-**
	460 (previous year 460) Equity shares of ₹100/- each of DrillXplore Service Private Limited (₹ 46,000/-only)	0.00	0.00
	Less: Provision for impairment	(0.00)	(0.00)
	Total (b)	**-**	**-**
c)	**Investments in equity shares - others (unquoted, fully paid up, at cost)**		
	2,500 (previous year 2,500) Equity shares of ₹10/- each of Ultra LNG Haldia Limited (₹ 25,000/-only)	0.00	0.00
	Total (c)	**0.00**	**0.00**
d)	**Investments in preference shares of subsidiaries (unquoted, fully paid up, at cost)**		
	20,723,227 (previous year 20,723,227) 0.01% compulsory convertible preference shares of US$ 10 each of OGD Services Holdings Limited [Refer Foot note (i)]	1,326.80	1,326.80
	Less: Provision for impairment	(1,326.80)	(1,326.80)
	Total (d)	**-**	**-**
	Total (a+b+c+d)	**0.00**	**0.00**
	Aggregate amount of unquoted non - current investments	**6,502.60**	**6,502.60**
	Less: Aggregate amount of provision for impairment other than temporary in value of investments	**(6,327.24)**	**(6,502.60)**
	Less: Sold during the year	**(151.18)**	**-**
	Less: Assets held for sale	**(24.18)**	**-**
	Total non-current investments	**0.00**	**0.00**

Foot notes:

i) Investments in equity shares of Energy II Limited, Essar Shipping DMCC (49%) and equity and preference shares of OGD Holdings Services Limited are given security against loan availed during the year. Refer Note 10(A) Foot note (a), (b) and (d).

ii) Based on shareholders approval vide Annual General Meeting dated 29 September 2023 and second approval accorded by way of postal ballot through remote e-voting dated 23 July 2024, the Company has entered into Share Purchase Agreement to sell equity shares of one of its foreign subsidiary company during the year. The company has received amount of ₹443.21 crore towards partial sale of stake in the foreign subsidiary company. The company has recognized the sale of shares to the extent of consideration received and booked profit of ₹292.03 crore (including ₹132.93 Crore on account of foreign exchange gain). Balance investment in the subsidiary by the company of ₹24.18 crore is classified as Asset held for sale. Transfer of shares in the name of the buyer is completed and required RBI compliances are in process.

4 Other non-current assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Income tax assets	4.61	0.10
Total other non-current assets	**4.61**	**0.10**

5 (A) Current investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Investment in Mutual Funds (quoted)		
Investment carried at Fair value through Profit & Loss		
SBI Liquid Fund Direct Growth	0.04	0.04
97.594 (Previous Year 97.594) Units of SBI Liquid Fund Direct Growth of Face Value ₹ 1,000		
Total current investments	**0.04**	**0.04**
Aggregate amount of quoted investment at cost	**0.03**	**0.03**
Aggregate amount of quoted investment at market value	**0.04**	**0.04**

5 (B) Trade and other receivables

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	15.52	5.73
Trade receivables which have significant increase in credit risk	0.16	0.16
Trade receivables - credit impaired	-	-
Less : Loss allowance	(0.16)	(0.16)
Total trade and other receivables	**15.52**	**5.73**

Particulars	Outstanding as on 31-03-2025 for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	13.24	(1.25)	3.52	-	-	15.52
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.16	-	0.16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
less: Loss allowance	-	-	-	(0.16)	-	(0.16)
Total	**13.24**	**(1.25)**	**3.52**	**-**	**-**	**15.52**

Particulars	Outstanding as on 31-03-2024 for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	3.65	2.08	-	-	-	5.73
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.16	-	-	0.16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
less: Loss allowance	-	-	(0.16)	-	-	(0.16)
Total	**3.65**	**2.08**	**-**	**-**	**-**	**5.73**

6 (A) Cash and bank balances

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Cash and Cash equivalent		
Balances with banks	0.43	0.93
Fixed Deposits with banks (maturity less than 3 months)	-	3.87
Other bank balances		
Fixed Deposits with banks (maturity more than 3 months)	2.14	1.09
Total Cash and bank balances	**2.58**	**5.89**

6 (B) Loans (Current)

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Unsecured loan and advances to related parties		
Loan to subsidiaries (including interest accrued thereon) [refer footnotes (i) and (ii)] (refer note 27)	852.77	834.09
Less: adjusted against payable to subsidiary company (Current Liabities - Note 12)	(331.26)	(331.26)
Less: Provision for Impairment	(521.51)	(502.83)
Total loans (Current)	**0.00**	**0.00**

Foot notes:

i) The company had issued Stand by Letter of Credit (SBLC) to foreign subsidiary company in earlier year for availing term loan for byuing vessels. Due to default by the subsidiary company, their respective banks have invoked the SBLC and made payment on behalf of the subsidiary company. The said amount has been shown as receivable from subsidiary company and company has charged the interest on said receivables. Further, the provision for impairment has been made in respect thereof because recovery of the money is not foreseeable.

ii) During the year, the company has paid ₹ 50 crore by way of One Time Settlement to lenders of a subsidiary company for which the company was Guarantor. The company has additionally paid finance cost to one of the lenders amounting to ₹ 0.83 crore. The company has made Impairment provision for the amount receivable from this subsidiary because it is under liquidation.

6 (C) Other financial assets (current)

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Interest accrued on fixed deposits	0.04	0.07
Security deposits	0.04	0.52
Other receivables (See Note Below)	-	304.58
Total other financial assets (current)	**0.08**	**305.17**

The company has settled its claim with Steel Authority of India Limited under Vivaad Se Vishwas Scheme by signing One Time Settlement agreement and realized ₹ 302 crore (including interest) towards full & final settlement on 29th May 2024 against ₹369 Crs receivable from SAIL. The balance receivable of ₹66.99 Crs is charged to Profit & Loss account as write off item during previous year. During the year, estimated interest income accrued last year on SAIL award of ₹ 45 crores is written off as exceptional loss and actual interest income received on SAIL award ₹44.97 is booked as exceptional income.

7 Other Current assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Prepayments	0.02	-
Balances with revenue authorities	6.88	5.33
Other advances	1.57	1.05
Total other current assets	**8.48**	**6.38**

Note: All above other current assets considered good and recoverable in future.

8 Assets classified as held for sale

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
53,83,457 (previous year Nil) Equity shares of US$ 1 each of Energy II Limited (Refer Note below)	24.18	-
	24.18	**-**

Note: The company has received amount of ₹443.21 crore towards partial sale of stake in the foreign subsidiary company. The company has recognized the sale of shares to the extent of consideration received and booked profit of ₹292.03 crore (including ₹132.93 Crore on account of foreign exchange gain - refer Note 14). Balance investment in the subsidiary by the company is classified as Asset held for sale. Transfer of shares in the name of the buyer is completed and required RBI compliances are in process.

9 Equity Share capital and other equity

9 (A) Equity Share Capital

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number	₹ in crore	Number	₹ in crore
Authorised equity share capital				
Equity shares of ₹10/- each	50,00,00,000	500.00	50,00,00,000	500.00
Preference shares of ₹10/- each	15,00,00,000	150.00	15,00,00,000	150.00
	65,00,00,000	**650.00**	**65,00,00,000**	**650.00**
Issued, subscribed and fully paid up				
Equity shares of ₹ 10/- each	20,69,76,072	206.98	20,69,76,072	206.98
Issued during the year	-	-	-	-
Total	**20,69,76,072**	**206.98**	**20,69,76,072**	**206.98**

(i) Movements in equity share capital

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number	₹ in crore	Number	` in crore
Opening balance	20,69,76,072	206.98	20,69,76,072	206.98
Issue during the year of shares during the year	-	-	-	-
Closing balance	**20,69,76,072**	**206.98**	**20,69,76,072**	**206.98**

Terms and rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Number	₹ in crore	%	Number	₹ in crore	%
a) Shares held by holding company/ ultimate holding company, their subsidiaries and associates						
Essar Shipping Mauritius Holdings Limited, the immediate holding company	124,362,408	124.36	60.09%	124,362,408	124.36	60.09%
IDH International Drilling Holdco Limited,Cyprus, the intermediate holding company	21,406,365	21.41	10.34%	21,406,365	21.41	10.34%
	145,768,806	**145.77**	**70.43%**	**145,768,806**	**145.77**	**70.43%**

S. No	Shares held by Promoters at end of the year	As on 31st March, 2025		As on 31st March, 2024		% Change during the year
	Promoter Name	No of shares	% of total shares	No of shares **	% of total shares	
1	Essar Shipping Mauritius Holdings Limited, Mauritius	124,362,408	60.09%	124,362,408	60.09%	0.00%
2	IDH International Drilling Holdco Limited, Cyprus	21,406,365	10.34%	21,406,365	10.34%	0.00%
3	Essar Investment Holdings Mauritius Limited, Mauritius (FKA as Essar Ports and Shipping Limited, Mauritius)	33	0.00%	33	0.00%	0.00%
4	Imperial Consultants and Securities Limited, India	6,878,409	3.32%	6,878,409	3.32%	0.00%

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date of the Balance Sheet.

Particulars	Year (Aggregate no. of shares)				
	2023-24	2022-23	2021-22	2020-21	2019-20
Equity shares issued for consideration other than cash					
Issued as fully paid up pursuant to a Scheme of arrangement	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Note: Shares reserved for issue under options

The Company had reserved issuance of 3,77,463 equity shares of ₹ 10/- each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Options Scheme. (ESOS) (refer note no.26 for details).

9 (B) Reserves and surplus

Particulars	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
Share options outstanding account	0.61	0.61
Securities Premium	3.36	3.36
General reserve	5,001.38	5,001.38
Retained earnings	(6,520.75)	(6,892.16)
Other Comprehensive Income	5.42	5.59
Total Reserves and surplus	**(1,509.98)**	**(1,881.22)**

Share options outstanding reserve
This reserve contains the intrinsic value of unvested employee stock options.

Securities Premium
The amount received in excess of face value of the Equity shares is recognised in Securities Premium. In case of Equity - Settled share based payment transactions, the difference between fair value on grant date and nominal value of shares is accounted as Securities Premium.

General reserve
These were transferred to the Company at the time of its demerger from Essar Shipping Ports & Logistics Limited.

Retained earnings
Retained earnings are the profits/ (losses) that the Company has earned/ incurred till date, less any transfer to General Reserve, Tonnage Tax Reserve, Dividend, Debenture Redemption Reserves or other distribution to Shareholders.

Other Comprehensive Income
These are actuarial gains / (losses) on employee benefit obligations.

10(A) Borrowings
Long - term borrowings

Particulars	Non - current		Current	
	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
<u>Secured</u>				
(a) Debentures				
2,50,00,000 Secured non convertible debentures of ₹ 100 each, secured by investment on shares of the subsidiary company and charge on rig or asset proposed to be owned by such subsidiary company. [refer foot note (a)]	250.00	-	-	-
6,00,00,000 Secured non convertible debentures of ₹ 100 each, secured by charge over the Overseas Direct Investments in two group companies. [refer foot note (b)]	600.00			
1%, 3,20,00,000 (previous year Nil) non convertible debentures of ₹100 each, secured by first charge on Arbitration award receivable from Steel Authority of India Limited (SAIL) [refer foot note (c)]	-	320.00	-	-

(b) Term loans				
(i) from banks				
Rupee term loan	-	-	-	-
(ii) from others				
Rupee term loans	8.25	296.74	7.11	777.71
(Secured by first charge on proceeds from the sale of borrowers investments held under subsidiaries) [refer foot note (d) and foot note (i) of Note 3]				
Total secured loans [A]	**858.25**	**616.74**	**7.11**	**777.71**
Unsecured				
Bonds				
(a) Foreign currency convertible bonds	-	-	-	534.18
(b) Debentures [refer note (e) below]	250.00	-	-	-
(b) Others [refer note (f) below]	-	6.00	142.99	-
Total unsecured loans [B]	**250.00**	**6.00**	**142.99**	**534.18**
Total [A+B]	**1,108.25**	**622.74**	**150.10**	**1,311.89**
Less: Amount disclosed under the head 'Short term borrowings'	-	-	(150.10)	(1,311.89)
Total Long - term borrowings	**1,108.25**	**622.74**	**-**	**-**

Foot notes:-

Repayment terms:

a) **Secured debentures:** 8.25%, 2,50,00,000 unlisted debentures issued on 8 August 2024 redeemable as per agreed terms. Debentures issued on preferential basis by conversion of outstanding secured loan into NCDs in one or more tranches to the extent of ₹ 250 crores. The same is secured by pledge on the shares of foreign subsidiary companies, charge on semi-submersible rig or asset proposed owned by above subsidiary company and any other security as may be agreed between both parties.

b) **Secured debentures:** 1%, 6,00,00,000 unlisted debentures issued on 8 August 2024 redeemable as per agreed terms. Debentures issued on preferential basis by conversion of outstanding secured loan into NCDs in one or more tranches to the extent of ₹ 600 crores. The same is secured by charge over the Overseas Direct Investments in two overseas subsidiaries and any other security as may be agreed between both parties. [Refer foot note (i) of Note 3].

c) **Secured debentures:** 1%, 3,20,00,000 unlisted debentures issued on 13 December 2023 were fully redeemed by the company during the year.

d) **Secured loan:** During the preceeding year, the company has borrowed additional inter-corporate deposits from a group company in order to redeem the FCCBs dues which were due as on 24 August, 2023. The intercorporate deposits received were converted into Non Convertible Debentures to the extent of ₹ 250 crores [refer foot note (c)]. Balance amount stands outstanding in books of accounts and carry interest @ 8.25% p.a.The loan is secured by sale proceeds from investment in overseas subsidiary companies. During the preceeding year, the company has borrowed loan from another company for redeeming the FCCB dues. The loan received was converted into Non Convertible Debentures to the extent of ₹ 850 crores [refer foot note (a) and (b)]. Balance amount stands outstanding in books of accounts and carry interest @ 8.25% p.a. This loan is classified as current liability in the books of accounts. The loan is secured by sale proceeds from investment in equity and preference shares of overseas subsidiary companies. [Refer foot note (i) of Note 3]

e) **Unsecured debentures:** 1%, 2,50,00,000 unlisted debentures issued on 8 August 2024 redeemable as per agreed terms. Debentures issued on preferential basis by conversion of outstanding secured loan into NCDs in one or more tranches to the extent of ₹ 250 crores. The debentures are unsecured and unlisted.

f) **Unsecured loan:** During the year, the company availed unsecured loan from a company amounting ₹200 crores in order to fund the repayment of secured loan [refer note (d)]. The loan was provided on urgent basis to enable the company to honour its commitment to repay the secured loan on demand as per the terms.

g) The classification of loans between current liabilities and non - current liabilities continues based on repayment schedule under respective agreements and on the basis of demands raised by banks & debenture holders.

h) **Interest rates:** Loans availed from the lenders carry a weighted average interest rate of 5.74% per annum (previous year: 5.00% per annum)

i) **Scheduled repayments:** Contractual repayments in case of loans from the lenders are provided below:

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Not Later than one year	150.10	1,631.89
Later than one year but not later than five years	1,108.25	302.74
Later than five years	-	-
Total	**1,258.35**	**1,934.63**

10(B) Trade payables

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Trade payables:		
- Total outstanding dues to micro and small enterprises (refer note below)	0.07	-
- Total outstanding dues to creditors other than micro and small enterprises	22.30	18.48
Total trade payable	**22.37**	**18.48**

Note: Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company. The Auditors have relied on the same. The required disclosures are given below:

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Principal amount due and remaining unpaid	0.07	-
Interest due and unpaid on the above amount	-	-
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

Particulars	Outstanding as on 31-03-2025 for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	0.07	-	-	-	-	0.07
(ii) Others	5.81	0.80	0.08	0.04	15.58	22.30
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Particulars	Outstanding as on 31-03-2024 for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	2.53	0.34	0.04	0.00	15.58	18.48
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

10(C) Other financial liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Interest accrued	76.68	42.70
Total financial liabilities	**76.68**	**42.70**

11 Employee benefit obligations (current)

Particulars	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
Defined benefit plans	2.44	2.36
Defined contribution schemes	0.19	0.19
Total Employee benefit obligations	**2.63**	**2.56**

Provisions (non-current)

Particulars	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
Defined contribution schemes	0.16	-
Total Employee benefit obligations	**0.16**	**-**

I. Details of retirement benefits:

The employees of the Company are members of a state – managed retirement benefit plans namely provident fund, pension fund, gratuity fund and superannuation fund operated by the Government of India. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the retirement benefit plan is to make the specified contributions.

The Company has recognised the following amounts in the Statement of Profit and Loss during the year under Contribution to staff provident and other funds. (refer note 16)

(` in crore)

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
a) Employer's contribution to gratuity fund (offshore crew staff)	0.07	-
b) Group accident policy premium (all employees)	-	-
c) Employer's contribution to pension fund (offshore crew staff)	0.01	0.00
d) Employer's contribution to provident fund (offshore crew staff)	0.25	-
Total	**0.33**	**0.00**

II. Defined benefit plans

The company operates funded gratuity, non funded gratuity and funded provident fund plan for qualifying employees. Under the plans the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service. No other post retirement benefits are provided to these employees. Contribution to provident fund (office staff and offshore officers).

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at March 31, 2025 by the certified actuarial valuer. The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.

(A) Changes in present value of defined benefit obligations:

Particulars	Gratuity (funded) 31.03.25	Gratuity (non-funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Gratuity (non-funded) 31.03.24	Provident fund (funded) 31.03.24
Present value of defined benefit obligations as at the beginning of the year	0.56	2.36	20.30	0.08	2.84	31.15
Transfer in/(out) obligation	-	-	-	-	-	-
Current service cost	0.08	-	-	0.07	-	-
Current service contribution- employee	-	-	-	-	-	-
Interest cost	0.03	-	-	0.01	-	-
Other adjustments	-	-	-	-	-	-
Benefits paid	(0.14)	-	(2.00)	-	(0.48)	(10.85)
Actuarial (gain)/loss on obligations	0.17	-	-	0.41	-	-
Present value of defined benefit obligations as at the end of the year	**0.69**	**2.36**	**18.30**	**0.56**	**2.36**	**20.30**

(B) Changes in the fair value of plan assets:

Particulars	Gratuity (funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Provident fund (funded) 31.03.24
Fair value of plan assets at the beginning of the year	**0.55**	**31.15**	**0.46**	**31.15**
Transfer in/(out) plan assets	-	-	-	-
Return on plan assets	(0.00)	0.05	(0.00)	-
Interest income on plan assets	0.04	1.67	0.03	-
Contributions by the employer/ employees	0.01	-	0.06	-
Benefits paid	(0.14)	(10.84)	-	-
Other adjustments	-	-	-	-
Fair value of plan assets as at the end of the year	**0.46**	**22.03**	**0.55**	**31.15**

(C) Amount recognised in balance sheet:

Particulars	Gratuity (funded) 31.03.25	Gratuity (non-funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Gratuity (non-funded) 31.03.24	Provident fund (funded) 31.03.24
Present value of defined benefit obligations as at the end of the year	**0.69**	**2.36**	**18.30**	**0.56**	**2.36**	**20.30**
Fair value of plan assets as at end of the year	0.46	-	22.03	0.55	-	31.15
Liability recognised in the Balance Sheet (included in provisions) (note 10)	**0.24**	**2.36**	**-**	**0.00**	**2.36**	**(10.85)**

(D) Expenses recognised in the Statement of Profit and Loss:

Particulars	Gratuity (funded) 31.03.25	Gratuity (non-funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Gratuity (non-funded) 31.03.24	Provident fund (funded) 31.03.24
Current service cost	0.08	-	-	0.07	-	-
Past service cost- plan amendments	-	-	-	-	-	-
Net interest on net defined benefit liability/ (asset)	(0.00)	-	-	(0.03)	-	-
Total expenses recognised in the Statement of Profit and Loss (Included in Contribution to provident and other funds (note no. 16)	**0.07**	**-**	**-**	**0.04**	**-**	**-**

(E) Amount recongnised in other comprehensive income ` in crore

Particulars	31.03.25	31.03.24
Experience adjustments	(0.17)	(0.41)
Total	**(0.17)**	**(0.41)**

(F) Category of plan assets:

Particulars	Gratuity (funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Provident fund (funded) 31.03.24
Administered by Life Insurance Corporation of India *	100%	-	100%	-
Government of India securities (Central and State)	-	32.00%	-	32.00%
Public sector bonds/ TDRs	-	68.00%	-	68.00%

*The Company is unable to obtain the details of plan assets from the Life Insurance Corporation of India and hence the disclosure there of is not made.

(G) Sensitivity analysis

Particulars	Gratuity (funded) 31.03.25	Gratuity (funded) 31.03.24
DBO On base assumptions		
A. Discount Rate	6.60%	7.20%
1. Effect due to 0.5% increase in discount rate	(0.68)	(0.54)
2. Effect due to 0.5% decrease in discount rate	0.70	0.57
B. Salary Escalation Rate	5.00%	5.00%
1. Effect due to 0.5% increase in salary escalation rate	0.70	0.56
2. Effect due to 0.5% decrease in salary escalation rate	(0.68)	(0.54)
C. Withdrawal Rate	8.00%	8.00%
1. Effect due to 5% increase in withdrawal rate	(0.69)	(0.56)
2. Effect due to 5% decrease in withdrawal rate	0.69	0.55

Risk exposure- asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(H) Actuarial assumptions

Actuarial valuations were done in respect of the aforesaid defined benefit plans based on the following assumptions:

(I) General assumptions:

Particulars	Gratuity (funded) 31.03.25	Gratuity (non-funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Gratuity (non-funded) 31.03.24	Provident fund (funded) 31.03.24
Discount rate (per annum)	6.60%	6.70%	6.60%	7.20%	6.70%	6.60%
Rate of return on plan assets (for funded scheme)	0.00%	0.00%	8.00%	0.00%	0.00%	8.00%
Withdrawal rate	8.00%	7.00%		8.00%	7.00%	
Expected returns on EPFO	-	-	8.00%	-	-	8.00%
Rate of increase in compensation	5.00%	5.00%		5.00%	5.00%	

ii) Mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Table. (Indian Assured Lives Mortality (2006-08)) mortality table.

iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accrued till 31 December, 2014, is paid to the respective employees during the year.

iv) The contribution to be made by the Company for funding its liabilities for gratuity (funded and non funded) and towards provident fund during the financial year 2024-25 amounts to ₹ 0.32 crore.

v) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.

vi) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.

vii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

viii) Short term compensated absences have been provided on actual basis.

12 Other current liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Statutory and other related dues	0.60	2.22
Advance received against sale consideration	331.26	331.26
Less: Adjusted against loans receivable from subsidiary company [refer Note 6(B)]	(331.26)	(331.26)
Advance towards sale of land or building	-	0.03
Total other current liabilities	**0.60**	**2.25**

13 Revenue from operations

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Sale of services		
Fleet operating and chartering earnings	0.15	0.15
Other operating income		
Supervision / Management fees	20.35	15.61
Total revenue from operations	**20.50**	**15.76**

14 Other income

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Interest income		
- from banks	0.17	0.92
- from others	-	0.18
Profit on sale of fixed asset	0.47	-
Profit on sale of investment (Refer note below)	159.10	13.87
Net gain / loss on foreign currency translation and transaction (other than considered as finance cost)	132.95	-
Other non operating income	0.09	19.39
Total interest income	**292.79**	**34.36**

Note: The Company has received amount of ₹ 443.21 crore towards partial sale of stake in the foreign subsidiary company. The Company has recognized the sale of shares to the extent of consideration received and booked profit of ₹ 292.03 crore (including ₹ 132.93 Crore on account of foreign exchange gain). Balance investment in the subsidiary by the Company is classified as Asset held for sale (Refer Note 8). Transfer of shares in the name of the buyer is completed and required RBI compliances are in process.

15 Operating expenses

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Consumption of stores and spares	-	0.04
Consumption of fuel, oil and water	-	0.08
Standing costs	-	0.04
Insurance, protection and indemnity club fees	-	0.12
Total operating expenses	**-**	**0.27**

16 Employee benefits expense

Particulars	Year ended 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
Office staff		
Salaries, wages and bonus	7.51	7.00
Contribution to staff provident and other funds	0.41	0.27
Staff welfare expenses	0.79	0.33
Total employee benefits expense	**8.72**	**7.61**

17 Finance costs

Particulars	Year ended 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
Interest expense		
- on debentures	19.34	0.96
- on others	56.93	44.26
Loan commitment / processing charges, guarantee fees and other charges	0.05	1.72
Total finance costs	**76.32**	**46.95**

18 Other expenses

Particulars	Year ended 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
Rent	1.39	1.17
Rates and taxes	0.13	0.11
Repairs and maintenance		
-buildings	0.49	0.49
-others	0.37	0.22
Legal and professional fees	5.55	4.27
Travelling and conveyance	3.27	1.66
Auditor's remuneration (refer note below)	0.21	0.21
Net loss on foreign currency translation and transaction (other than considered as finance cost)	-	0.22
Sundry balances written-off	0.08	4.70
Reversal of written back	-	0.02
Other establishment expenses	0.93	1.36
Total other expenses	**12.42**	**14.45**

Particulars	Year ended 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
As auditors	0.21	0.21
Reimbursement of expenses*	0.00	0.00
For other services	0.01	0.01
Total	**0.21**	**0.21**

*Amount less than ₹ 1,00,000

19 Exceptional items

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
a) Income		
Interest Income on Claims receivable	44.97	-
Reversal of provision for impairment as per Ind AS 36 in the fair value of an associate based on management assessment.	175.36	-
Reversal of Provision for impairment of loans & advances receivable from subsidiary	32.15	9.12
Gain from One Time Settlement of Loans	-	6.60
Total	**252.48**	**15.72**
b) Expense		
One Time Settlement charged paid to banks/ FIs	0.60	-
Write off of claims receivable	45.00	66.99
Provision for Impairment of loans and advances receivable from Subsidiary	50.83	-
Total exceptional items	**96.43**	**66.99**

(a) Interest Income on Claims receivable/ Write off of claims receivable

During the year, the company has signed a settlement agreement with Steel Authority of India Limited (SAIL) under the Vivad Se Vishwas Scheme - II. As per the Scheme, the company received 65% of original claim amount plus interest which was accounted as exceptional item in the earlier year. Amount of interest estimated was ₹45 crores. However, actual interest of ₹44.97 crores was received by the company on SAIL award. Estimated amount of ₹45 crore is reversed as exceptional loss and actual interest received of ₹44.97 crore is booked as exceptional income.

(b) Reversal of provision for impairment as per Ind AS 36 in the fair value of an associate based on management assessment

The company have made provision for impairment on receivables from one of its foreign subsidiary company. During the year, amount of ₹ 32.15 crores are received against these receivables. Same is reversed from provision made and shown as exceptional income.

(c) Reversal of Provision for impairment of loans & advances receivable from foreign subsidiary

The company have made provision for impairment on investment in one of its foreign subsidiary company. During the year, the company entered into Sale Purchase Agreement for selling its entire stake in the shares of subsidiary company. Entire amount of ₹ 175.36 crores is reversed from provision made and shown as exceptional income [refer foot note (i) of Note 3].

(d) One Time Settlement charged paid to banks/ FIs

The company had settled the loan with the bank in earlier years and paid the dues through monetisation of assets and recognised gain on settlement. Post settlement, the bank assigned the said loan to an Asset Reconstruction Company (ARC) and the company was showing the liability as Contingent liabilities. Now during the quarter, the Company have paid ₹ 0.60 crores to ARC agains the same as final settlement and received no due certificate from ARC company. The amount paid is shown as an exceptional item.

(e) Provision for Impairment of loans and advances receivable from Subsidiary

During the year, the company has paid ₹ 50 crore by way of One Time Settlement to lenders of a subsidiary company for which the company was Guarantor. The company has additionally paid finance cost to one of the lenders amounting to ₹ 0.83 crore. The company has made Impairment provision for the amount receivable from this subsidiary because it is under liquidation.

20 Income taxes

Income tax expense recognised in the profit and loss account comprises of:

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Current income taxes	-	-
Income tax expense for the year	**-**	**-**
Effective tax rate (%)	0.00%	0.00%

The reconciliation of income tax expense applicable to accounting loss before income tax at statutory income tax rate to income tax expense at the Company's effective income tax rate for the year ended 31 March, 2025 and 31 March, 2024 are as follows:

Particulars	**Year ended 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Profit / (Loss) before taxes	371.12	(71.18)
Effective tax rate in India: 25.1680%*	-	-
Tax effect of adjustment for profits subject to tonnage tax regime / presumptive taxation	-	-
Income tax expense recognised in the profit and loss account	**-**	**-**

***Note:** In case of Indian shipping companies, tax expense is computed based on the gross tonnage of the vessels for the income subject to tonnage tax. In case of income not subject to tonnage tax, the same is calculated based on the taxable profits calculated in accordance with the applicable tax laws. Effective tax rate calculated as per the Section 115BAA of the Income Tax Act,1961.

21 Financial Instruments

(i) Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from the previous year. The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Debt (including borrowings from related and unrelated parties and finance lease obligations)	1,258.35	1,934.63
Less: Cash and cash equivalent including short term deposits (restricted)	(2.58)	(5.89)
Less: Current Investments in Mutual Fund	(0.04)	(0.04)
Net debt (A)	**1,255.78**	**1,928.74**
Total equity (B)	**(1,303.00)**	**(1,674.24)**
Net debt to equity ratio (A/B)	**(0.96)**	**(1.15)**

(ii) Categories of financial instruments

Particulars	**As at 31 March, 2025**		**As at 31 March, 2024**	
	₹ in crore	**₹ in crore**	**₹ in crore**	**₹ in crore**
	Carrying value	**Fair value**	**Carrying value**	**Fair value**
Financial assets:				
At amortised cost				
Cash and bank balances	2.58	2.58	5.89	5.89
Loans and other receivables	15.52	15.52	5.73	5.73
Other financial assets	0.08	0.08	305.17	305.17
At fair value through profit and loss				
Investments in Mutual Funds	0.04	0.04	0.04	0.04
Total	**18.21**	**18.21**	**316.83**	**316.83**

Financial liabilities:				
At amortised cost				
Borrowings	1,258.35	1,258.35	1,934.63	1,934.63
Trade and other payables	22.37	22.37	18.48	18.48
At fair value through profit and loss				
Other financial liabilities	76.84	76.84	42.70	42.70
Total	**1,357.56**	**1,357.56**	**1,995.81**	**1,995.81**

Fair value measurements recognised in the Balance sheet:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a) Cash and short-term deposits, trade and other receivables, trade and other payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

b) The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair Value Hierarchy

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
	Level 2	**Level 2**
Assets		
Investments in Mutual Fund	0.04	0.04

(iii) Fair value of financial instruments:

All financial assets are initially recognised at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non – derivative financial assets are carried at fair value, gains and losses on re- measurement are recognised directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognised directly in the standalone statement of profit and loss. Financial assets are designated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognised at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortised cost.

(iv) Financial risk management objectives:

The Company's principal financial liabilities comprise of loan from banks and financial institutions, finance lease obligations, overdrafts and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Company's financial instruments are foreign currency risk, interest rate risk, credit risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

(v) Market risk:

(a) Foreign currency risk:

Foreign currency risk mainly arises from transactions undertaken by an operating unit denominated in currencies other than its functional currency. Exposure to foreign currency risk is partly mitigated by natural hedges of matching revenues and costs.

The carrying amounts of the Company's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

Particulars	As at 31 March, 2025 ₹ in crore Financial assets	As at 31 March, 2025 ₹ in crore Financial Liabilities	As at 31 March, 2024 ₹ in crore Financial assets	As at 31 March, 2024 ₹ in crore Financial Liabilities
United States Dollars (US$)	778.28	331.26	801.23	347.13
Currencies other than INR & US$	-	-	-	-
Total	**778.28**	**331.26**	**801.23**	**347.13**

The following table details the Company's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies of all the companies in the Company. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

Particulars	As at 31 March, 2025 ₹ in crore	As at 31 March, 2024 ₹ in crore
US$ impact	22.35	22.71
(impact on profit before tax)		

(b) Interest rate risk:

The Company is exposed to interest rate risk as entities in the Company borrow funds at floating interest rates. The interest rate risk is managed by monitoring the Company's level of borrowings periodically and structuring its borrowings on varying maturities and interest rate terms. The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to interest rates at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's loss for the year ended 31 March, 2025 would increase/decrease by ₹ 6.65 crore (previous year ₹ 4.52 crore). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

(c) Commodity price risk:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

(d) Other price risk:

The Company is not exposed to any significant equity price risks arising from equity investments, as on 31 March 2025. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

Equity price sensitivity analysis:
There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

(vi) Credit risk:

The credit risk is primarily attributable to the Company's trade and other receivables and guarantees given by the Company on behalf of others. The amounts presented in this standalone statement of financial position are net of allowances for doubtful receivables, estimated by management based on prior experience and their assessment of the current economic environment. The maximum related party credit exposure at 31 March, 2025 on account of carrying amount of advances /deposit, trade and other receivables and guarantees is disclosed in note 27 on related party transactions. Based on the creditworthiness of the related parties, financial strength of related parties and its parents and past history of recoveries from them, the credit risk is mitigated.

Cash and cash equivalents are held with reputable and credit-worthy banks.

(vii) Fair value of financial instruments:

All financial assets are initially recognised at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non – derivative financial assets are carried at fair value, gains and losses on re- measurement are recognised directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognised directly in the standalone statement of profit and loss. Financial assets are designated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognised at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortised cost.

(viii) Liquidity risk:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company monitors its risk of shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations, public offerings and refinancing of current borrowings.

Liquidity table:

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

Particulars	As at 31 March, 2025			
	Not later than one year	Later than one year but not later than five years	More than five years	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Financial instruments:				
Borrowings	150.10	1,108.25	-	1,258.35
Trade and other payables	22.37	-	-	22.37
Other financial liabilities	76.68	0.16	-	76.84
Total financial liabilities	**249.14**	**1,108.41**	**-**	**1,357.56**

Particulars	As at 31 March, 2024			
	Not later than one year	Later than one year but not later than five years	More than five years	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Financial instruments:				
Borrowings	1,631.89	302.74	-	1,934.63
Trade and other payables	18.48	-	-	18.48
Other financial liabilities	42.70	-	-	42.70
Total financial liabilities	**1,693.08**	**302.74**	**-**	**1,995.81**

22 **Contingent liabilities (to the extent not provided for)**

a)

Claims against the company not acknowledged as debts	As at 31 March, 2025	As at 31 March, 2023
	₹ in crore	₹ in crore
Income tax demand - appeal filed by the Income tax department in the High court of Bombay against the orders of Appellate Tribunal in favour of the Company	319.04	310.42

b)

Others	Purpose for which the Guarantee is proposed to be utilised by the recipient	As at 31 March, 2025	As at 31 March, 2024
		₹ in crore	₹ in crore
Corporate guarantees on behalf of subsidiaries & associates			
A) OGD Services Limited, India	Corporate guarantee given for subsidiary Debts	420.87	944.13
		420.87	**944.13**

23 **Segment reporting**

a) **Business segment**

The Company has only one reportable primary business segment of fleet operating and chartering.

b) **Geographical segment**

The Company's fleet operations are managed on a worldwide basis from India. The revenue from operations are identified as geographical segment based on location of customers:

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
India	0.15	0.15
United Arab Emirates	6.81	-
Mauritius	13.54	15.61
Total	**20.50**	**15.76**

24 Earning per share

The calculation of the basic and diluted earnings per share is based on the following data:

Particulars	Year ended 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Profit for the year before exceptional items	215.06	(19.90)
Profit for the year after exceptional items	371.12	(70.35)
Equity shares at the beginning of the year (no's)	206,976,072	206,976,072
Equity shares issued during the year	-	-
Equity shares at the end of the year (no's)	206,976,072	206,976,072
Weighted average equity shares for the purpose of calculating basic earnings per share (no's)	206,976,072	206,976,072
Weighted average equity shares for the purpose of calculating diluted earnings per share (no's)	206,976,072	206,976,072
Earning per share before exceptional items - basic (face value ₹10/- each)	10.39	(0.92)
Earning per share before exceptional items - diluted (face value ₹10/- each)	10.39	(0.92)
Earning per share after exceptional items - basic (face value ₹10/- each)	17.93	(3.40)
Earning per share after exceptional items - diluted (face value ₹10/- each)	17.93	(3.40)

Note:
Equity shares to be issued upon exercise of Employee Stock Option Scheme have not been considered for the purpose of calculating of weighted average number of diluted equity shares, as they are anti dilutive.

25 Disclosure under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015

Particulars	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	As at 31 March, 2025		As at 31 March, 2024	
		Amount Outstanding ₹ in crore	Maximum amount Outstanding ₹ in crore	Amount Outstanding ₹ in crore	Maximum amount Outstanding ₹ in crore
Loan to Related parties					
Subsidiary Companies:					
OGD Services Limited*	Paid to their lenders on their behalf due to Guarantee given by the Company	-	89.82	-	38.99
Essar Shipping DMCC*	Project Funding for buying vessels	-	431.69	-	463.84

* As on date no amount are outstanding from susbsidiary companies because the Company has already made Impariment provision of receivables in the books.

26 Employee Stock Option Scheme

In the Annual general meeting held on September 9, 2011, the shareholders approved the issue of Employee Stock options under the Scheme titled "Essar Shipping Employee Stock options Scheme -2011" (hereafter named ESOS A).

The ESOS A allows the issue of options to employees and executive Directors of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the Scheme, the Compensation Committee grants the options to the employees deemed eligible. The exercise price of each option shall be determined by the Compensation committee as per the said scheme. The options granted vest in a graded manner over a period of 5/4/3 years from the date of the grant in proportions specified in the Scheme. Options may be exercised within 7 years from the date of vesting. The Company has issued the said ESOS in two tranches on November 2, 2011 and February 8, 2012 at an exercise price of ₹ 22.30 each, the market price of the shares on the grant date of the ESOS was ₹ 22.30 per share and ₹31.30 per share respectively.

The difference between the market price of the share underlying the options granted on the date of grant of option and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period.

Since the period of ESOP scheme has been expired the Company has already passed a Board resolution to close the trust and the Company is in process of the same.

27 Related party relationships, transactions and balances: (as per IND-AS 24)

a) Holding companies

i) Essar Global Fund Limited , Cayman Island, ultimate holding company
ii) IDH International Drilling Holdco Limited, Cyprus, intermediate holding company
iii) Essar Shipping Mauritius Holdings Limited, Mauritius, immediate holding company

b) Subsidiaries / Step down subsidiaries

i) Energy II Limited, Bermuda (till 27.09.2024)
ii) OGD Services Holding Limited, Mauritius (formely known as Essar Oilfields Services Limited)
iii) OGD Services Limited, India (formerly known as Essar Oilfield Services India Limited) (under liquidation)
iv) Essar Shipping DMCC, Dubai
v) DrillXplore Services Private Limited
vi) Gargnano S.A. de C.V., Mexico (from 20.05.2024)

c) Associates

i) Arkay Logistics Limited, India (till 31.05.2023)
ii) Seros Oilfield Services India Limited
iii) Seros Drilling Private Limited

d) Key management personnel

i) Mr. Rajesh Desai (Wholetime Director)
ii) Mr. Vipin Jain (Chief Financial Officer from 01.10.2022 and Whole Time Director from 28.05.2024)
iii) Ms. Nisha Barnwal (Company Secretary till 12.04.2024)
iv) Ms. Rachana Trivedi (Company Secretary from 01.04.2024 till 31.03.2025)
v) Mr. Bharat Modi (Company Secretary from 01.04.2025)
vi) Mr. Jayakumar (Non- Executive Independent Director)
vii) Ms. Raichel Mathew (Non- Executive Woman Director)
viii) Ms. Raji Chandrashekhar (Independent Director till 28.05.2024)
ix) Mr. R Suresh (Independent Director)
x) Mr. Sunil Modak (Independent Director)

e) Fellow subsidiaries where there have been transactions

i) Essar Steel Metal Trading Limited
ii) Black Box Limited
iii) Essar Power Limited
iv) Essar Capital Advisory India Limited
v) Futura Travels Limited
vi) Essar Constructions India Limited
vii) Essar Investment Holdings Mauritius Limited
viii) Equinox Realty Holdings Limited
ix) Energy II Limited (from 28.09.2024)

f) Trust

i) Essar Shipping Staff Provident Fund Trust

g) **Details of transactions with related parties during the year**

₹ in crore

Nature of transactions	Holding Companies / Promoter group companies		Subsidiaries / Step down subsidiaries		Fellow subsidiaries / Trusts / Associates		Managerial remuneration / Sitting fees		Total	
	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024
INCOME										
Management & supervision fees										
OGD Services Holdings Limited			3.42	8.13					**3.42**	**8.13**
Essar Investment Holdings Mauritius Limited					7.36	7.47			**7.36**	**7.47**
Essar Shipping DMCC			6.81	-					**6.81**	**-**
Reimbursement of Expenses										
Essar Investment Holdings Mauritius Limited					15.02	14.58			**15.02**	**14.58**
Total	**-**	**-**	**10.23**	**8.13**	**22.37**	**22.05**	**-**	**-**	**32.60**	**30.18**
Sale of Equity Shares										
Equinox Realty Holdings Limited	-	-	-	-	443.21	-	-	-	**443.21**	**-**
Total	**-**	**-**	**-**	**-**	**443.21**	**-**	**-**	**-**	**443.21**	**-**
Managerial remuneration#										
Rajesh Desai							0.10	0.10	**0.10**	**0.10**
Vipin Jain							0.78	0.66	**0.78**	**0.66**
Nisha Barnwal							-	0.06	**-**	**0.06**
Rachana Trivedi							0.15	-	**0.15**	**-**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1.03**	**0.82**	**1.03**	**0.82**
Sitting fees paid to Non-Executive Directors										
Director sitting fees							0.11	0.25	**0.11**	**0.25**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**0.11**	**0.25**	**0.11**	**0.25**
Finance cost										
Essar Steel Metal Trading Limited					10.28	-			**10.28**	**-**
Professional fees										
Raichel Mathew							0.10	0.11	**0.10**	**0.11**
Essar Constructions India Limited					0.30	-			**0.30**	**-**

Ticket Charges										
Futura Travels Limited					0.94	0.90			**0.94**	**0.90**
Contribution to staff provident fund										
Essar Shipping Staff Provident Fund Trust					0.51	0.40			**0.51**	**0.40**
Maintenance charges										
Essar Capital Advisory India Limited					0.01	-			**0.01**	**-**
Black Box Limited					0.01	-			**0.01**	**-**
Reimbursement of Expenses										
Essar Power Limited					0.04	-			**0.04**	**-**
Provision for Impairment										
OGD Services Limited			50.83	-					**50.83**	**-**
Total	**-**	**-**	**50.83**	**-**	**12.09**	**1.30**	**0.10**	**0.11**	**63.02**	**1.41**
Reversal of Provision for Impairment										
Essar Shipping DMCC			32.15	9.12					**32.15**	**9.12**
Total	**-**	**-**	**32.15**	**9.12**	**-**	**-**	**-**	**-**	**32.15**	**9.12**
Loans & Advances given / repaid										
Arkay Logistics Limited			6.00	-					**6.00**	**-**
Edwell Infrastructure Hazira Limited					-	50.12			**-**	**50.12**
Essar Steel Metal Trading Limited					33.95	8.00			**33.95**	**8.00**
IDH International Drilling Holdco Limited (FCCBs repaid)	534.18	1,003.45							**534.18**	**1,003.45**
Total	**534.18**	**1,003.45**	**6.00**	**-**	**33.95**	**58.11**	**-**	**-**	**574.13**	**1,061.56**
Loans & Advances received										
Essar Steel Metal Trading Limited					-	300.63			**-**	**300.63**
Total	**-**	**-**	**-**	**-**	**-**	**300.63**	**-**	**-**	**-**	**300.63**
Issue of Non-Convertible Debentures										
Essar Steel Metal Trading Limited					250.00	320.00			**250.00**	**320.00**
Total	**-**	**-**	**-**	**-**	**250.00**	**320.00**	**-**	**-**	**250.00**	**320.00**

does not include the amount payable towards gratuity and compensated absences by the Company, as the same is calculated by the Company as a whole on actuarial basis.

h) Outstanding balances with related parties:

Nature of transactions	Holding Companies / Promoter group companies		Subsidiaries / Step down subsidiaries		Fellow subsidiaries / Trusts / Associates		Managerial remuneration / Sitting fees		Total	
	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024
Trade and other receivables										
Essar Investment Holdings Mauritius Limited					14.94	5.66			**14.94**	**5.66**
Essar Shipping DMCC			0.39	-					**0.39**	**-**
Raichel Mathew							-	0.01	**-**	**0.01**
Total	**-**	**-**	**0.39**	**-**	**14.94**	**5.66**	**-**	**0.01**	**15.33**	**5.67**
Loans and advances (including interest accrued)										
IDH International Drilling Holdco Limited	0.53	0.53							**0.53**	**0.53**
Essar Shipping DMCC*	762.95	795.10							**762.95**	**795.10**
Total	**763.48**	**795.63**	**-**	**-**	**-**	**-**	**-**	**-**	**763.48**	**795.63**
Advance received against sale of vessel										
Essar Shipping DMCC*			331.26	331.26					**331.26**	**331.26**
Total	**-**	**-**	**331.26**	**331.26**	**-**	**-**	**-**	**-**	**331.26**	**331.26**
Intercorporate deposits payable										
Essar Steel Metal Trading Limited					8.25	292.20			**8.25**	**292.20**
Arkay Logistics Limited					-	6.00			**-**	**6.00**
Total	**-**	**-**	**-**	**-**	**8.25**	**298.20**	**-**	**-**	**8.25**	**298.20**
Trade Payables										
Essar Shipping Staff Provident Fund Trust					0.04	0.01			**0.04**	**0.01**
Essar Constructions India Limited					0.30	-			**0.30**	**-**
Essar Power Limited					0.04	-			**0.04**	**-**
Raichel Mathew							0.01	-	**0.01**	**-**
Futura Travels Limited					0.01	-			**0.01**	**-**
Total	**-**	**-**	**-**	**-**	**0.39**	**0.01**	**0.01**	**-**	**0.40**	**0.01**
Guarantees given on behalf of others										
OGD Services Limited			420.87	944.13					**420.87**	**944.13**
Total	**-**	**-**	**420.87**	**944.13**	**-**	**-**	**-**	**-**	**420.87**	**944.13**

*** Provision for Imapirtment of ₹ 470.68 (net-off of capital advance received) with respect to amount receivable from Essar Shipping DMCC provided in previous years.**

28 Going Concern

As on 31 March 2025, the net worth of the Company is eroded as it is incurring operating losses since last several years. The Company has accumulated losses of ₹ 6,520.75 crore as against share capital and reserves of ₹ 5217.75 crore and the Company's current liabilities exceeds its current assets.The Company has given Tug on Bare-boat charter basis and earned operating income from the same. Further, the Company is also providing Management service to its Subsidiary Company during the year. Also the Company is taking steps to rectify the mismatch between current assets and liabilities during the year. In view of these, the Financials have been prepared on a Going Concern basis.

29 Expenditure on corporate social responsibility (CSR)

In pursuance of the provisions of the Companies Act, 2013, the Company is required to spend two percent of the average net profits for the three immediately preceding financial years towards CSR activities. Due to the occurrence of net losses in the three preceding financial years, the Company is not required to spend any amount on CSR.

30 Subsequent event

Post the year end, the company has received balance consideration of USD 8.4 Mn towards investment in shares of Energy II Limited and the entire stake sale is concluded. Trasnfer of shares in the name of the buyer and RBI compliances are under process.

31 Other Statutory Disclosure

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

32 The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

33 The Company is not declared a wilful defaulter by any bank or financial institution or other lenders.

34 The Company has no borrowings from banks or financial institutions on the basis of security of current assets.

35 The Company does not have any transaction that are not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

36 There are no proceedings initiated or pending for holding any benami property under the Benami Transaction (Prohitition) Act, 1988

37 There is no Investment Property held by Company.

38 The Company has neither traded in nor holds Crypto Currency or Virtual Curency during the year.

39 During the current year, the company has not made any Loans or advances in the nature of Loans are granted to Promoters, Directors, KMPs and the related parties (as define under Companies Act, 2013) either severally or jointly with any other person, that are: (a) repayable on demand: or (b) without specifying any term or period of repayment.

40 The Company does not have any transaction with companies struck off under section 248 of the Company Act 2013, or section 560 of Companies Act, 1956.

41 During the Year, Company has not taken any term loan from any bank of financial Institutions.

42 Comparative Ratio Analysis							
Sr No	**Ratio**	**Numerator**	**Denominator**	**March 2025**	**March 2024**	**% Variances**	**Reason for Variance (if +/- 25%)**
i	Current Ratio	Current Asset	Current Liability	0.20	0.23	(14.07)	
ii	Debt to Equity Ratio	Total Long Term Debt	Share Holders Equity	(1.02)	(1.18)	(13.25)	
iii	Debt Service Coverage Ratio	EBITDA	Interest + Installment	0.19	0.03	673.38	There is increase in other income due to profit on sale of investment in shares of subsidiary and foreign exchange gain theeron.
iv	Return on Equity	Net Income	Share Holders Equity	(0.25)	0.04	(680.77)	There is increase in other income due to profit on sale of investment in shares of subsidiary and foreign exchange gain thereon.
v	Inventory Turn Over Ration	Cost of goods sold or Sales	Avg Inventory	-	-	-	
vi	Trade Receivable Turnover Ratio	Credit Sale	Avg Account Receivable	1.93	4.45	(56.60)	The Receivables from debtors got increased due to increase in reimbursement of expenses receivable from them during the current financial year.
vii	Trade Payable Turnover Ratio	Total Purchase	Avg Account Payable	-	-	-	
viii	Working Capital Turnover Ratio	Net Annual Sale	Working Capital	(0.03)	(0.01)	138.62	Turnover increased and short term borrowings and other deposits decreased during the year and there is reduction in working capital due to repayment of loans.
ix	Net Profit Ratio	Net Revenue	Revenue	18.11	(4.46)	(505.60)	There is increase in other income due to profit on sale of investment in shares of subsidiary and foreign exchange gain thereon. Also there is increase in exceptional profit due to reversal of impairment.
x	Return on Capital Employed	EBIT	Capital Employed	9.10	0.09	10,096.13	There is increase in exceptional profit due to reversal of impairment, other income due to profit on sale of investment in subsidiary's shares and finance cost. Further, there is decrease in capital employed due to loans repaid.

43 The previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W-100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740
Mumbai
29 May, 2025

Vipin Jain
Chief Financial Officer

Mumbai
29 May, 2025

Bharat Modi
Company Secretary
Membership No. A67152

INDEPENDENT AUDITOR'S REPORT

To the Members of Essar Shipping Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements 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"), its associates and jointly co trolled entity comprising of the Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and loss (including other comprehensive income), the Consolidated statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group and its associates and joint venture as at March 31, 2025, and their consolidated profit (including other comprehensive income), their Consolidated Cash Flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 28 to the Consolidated Financial Statements wherein it is stated that:

- The Group has accumulated losses of ₹ 5,506.39 crore as against capital and reserves of ₹ 3,126.76 crore as on March 31, 2025.
- Some of the lenders of one of the subsidiaries which has gone into liquidation) where the holding company is a Guarantor have filed application before various forums for recovery of overdue amounts and / or enforcement of guarantees.
- The Group's Holding Company has disposed off most of its assets and some of the investments to pay off its outstanding dues to lenders / vendors.
- The net worth the Group eroded and it is incurring continuous losses since last several years.
- In case of a subsidiary, the auditors of the said Company have pointed out that the Company has obtained a one-time settlement agreement with 3 out of 4 of its external lenders and that the said Company is in discussion with its group companies to obtain financial support.

The above factors give rise to material uncertainty related to the Group's ability to continue as a Going Concern.

As informed to us, the Group has earned operating income by way of hire charges and management fees and is taking steps to rectify the mismatch in working capital.

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

Our opinion on the Consolidated Financial Statements is not modified for the above matter.

Emphasis of Matter

a. We draw attention to our observations in paragraph 4 above whereby, inspite of several factors mentioned therein, the Financial Statements are prepared on "Going Concern" basis;

b. In an earlier year, the Holding Company had settled the loan with a bank and paid the dues through monetisation of assets and recognised gain on settlement. Post settlement, the Bank had assigned the said loan to an Asset Reconstruction Company (Assignee Company). Pending outstanding bank guarantee (which was withdrawn during year ended 31st March 2024) and pending Group level settlement, No Due Certificate' (NOC) from the Bank or the Assignee Company was not received till March 31, 2024.

   During the year, the holding company has paid an amount of ₹ 0.60 crore and received the NOC from the Assignee Company. The amount paid has been charged to the Statement of Profit and Loss and has been shown as an exceptional item.

c. Attention is drawn to netting off of ₹ 331.26 Crore payable to a wholly owned overseas subsidiary with the amount receivable from the said subsidiary. This is subject to pending application and approval from the regulatory authorities.

d. We draw attention to Note No. 19(c) of the Consolidated Financial Statements relating to payment of ₹ 50.83 crores during the year to two banks towards One Time Settlement (OTS) between the said banks and a step-down subsidiary of the Holding Company.

   In respect of one bank, the Holding Company has settled the loan and paid the dues and 'no dues certificate' has been received from the said bank. The Holding Company does not expect any additional liability to devolve in this regard. In respect of the other Bank, the OTS is yet to be concluded.

   Since the entire amount paid is doubtful of recovery from the step-down subsidiary, the same has been fully provided for.

e. We draw attention to Note No. 8 of the Consolidated Financial Statments relating to the agreement for sale of shares held by the Holding Company in a subsidiary. Part of the consideration amounting to USD 524,99,960 has been received by the Holding Company during the year, and sale of shares to the extent of consideration received has been recognized in the books of account. The Holding Company has filed necessary forms with the Reserve Bank of India in this regard. The balance shares are held for sale and have been disclosed accordingly.

   Our Opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern paragraph, we have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	Auditor's Response
Going concern evaluation As on March 31, 2025 the Group has accumulated losses of ₹ 5,506.39 crore as against capital and reserves of ₹ 3,126.76 crore. The Group has also defaulted on several loans and lenders have initiated recovery proceedings as mentioned in Note No.28 of the Consolidated Financial Statements. The Group has disposed off most of it's assets and some of the investment in subsidiaries with a view to pay off it's outstanding dues to lenders/ vendors. The Group's current liabilities exceeds its current assets as on March 31, 2025. All these factors indicates that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. (Refer Note No. 28 of Consolidated Financial Statements)	Our audit procedures included but was not limited to the following activities: 1. Assessing steps taken by the Management to meet liabilities as and when they become due for payment; 2. Obtained and evaluated the Groups plans to repay the loans (with interest) through communication letters and the extent of steps taken for the same; 3. Evaluating legal and other developments related to the Company and /or its subsidiaries based on Minutes of the Audit Committee and Board of Directors. We found the key assumptions were supported by the available evidence. Based on the audit procedures performed, we found disclosures in the Consolidated Financial Statements to be appropriate
Evaluation of Litigation matters The Group has certain significant open legal proceedings for various matters with the Lenders of the group & customers continuing from earlier years (Refer Note No. 23 and 28 of Consolidated Financial Statements)	Our audit procedures included but was not limited to the following activities: 1. Assessing management's position through discussions with the management including review of external legal opinions obtained by the Group (where considered necessary) on both, the probability of success in the aforesaid cases, and the magnitude of any potential loss; 2. Discussion with the management on the development in these litigations during the year ended March 31, 2025; 3. Review of the disclosures made by the Company in the Consolidated Financial Statements in this regard; 4. Obtaining a representation letter from the management on the assessment of these matters (including the basis of the judgement).

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Annual Report including its annexures, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditors' report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the management and those charged with governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors and Management of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the the Board of Directors or Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors and Management of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial control systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, its

associate and joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the Consolidated Financial Statements. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) evaluating the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Consolidated Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. The accompanying Consolidated Financial Statements include audited statements of one subsidiary which reflect net assets of ₹ (419.94) crore as at March 31, 2025, total revenues of ₹4.60 and ₹8.58 crore, and total comprehensive income/(loss) (comprising of net loss after tax and other comprehensive income) of ₹(4.38) crore and ₹ 755.42 crore for the quarter and year ended on March 31, 2025 respectively, which have been audited by other auditors whose financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary is based solely on the report of such other auditor and the procedures performed by us are as stated in paragraph above.

b. The Consolidated Financial Statements include the unaudited management certified Financial Statements of One step down subsidiary which reflects net assets of ₹(3.82) crore as at December 31, 2024, total revenue of ₹ 0.02 Crore and share of loss of ₹ (3.85) crore for the year ended December 31, 2024 respectively.

   These Unaudited Financial Statements and other unaudited financial information have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said jointly controlled entity is based solely on such unaudited management certified Financial Statements and other unaudited financial information. In our opinion and according to the information and explanation given to us by the Management and Board of Directors, these Unaudited Financial Statements and the other unaudited financial information are not material to the group.

c. In case of one associate and one jointly controlled entity, share of profit / (loss) for the quarter and year ended March 31, 2025, has not been included in the Consolidated Financial Statements as the immediate parent company of the said associate and jointly controlled entity has been admitted to NCLT and is undergoing CIRP process

d. The Financial Statements of one step down subsidiary (which has been admitted to NCLT and gone into liquidation) have not been consolidated.

e. In case of an associate, which ceased to be an associate w.e.f. December 26, 2024, the share of profit / (loss) of ₹ 3.51 Crore for the period April 1, 2024 to December 25, 2024 , has been considered for consolidation.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the unaudited financial statements and other unaudited financial information certified by the Board of Directors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding company, its subsidiaries included in the group and associate companies and joint venture so far as it appears from our examination of those books and the reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

(d) In our opinion the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with the relevant rules issued there under;

(e) The matters described under "Emphasis of Matter" paragraph and the Going Concern matter described under the "Material Uncertainty Related to Going Concern" paragraph, in our opinion, may have an adverse effect on the functioning of the Group;

(f) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2025, taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India, none of the directors of the Group's companies, its associate and joint venture, incorporated in India, is disqualified as on March 31, 2025 from being appointed as directors in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in **'Annexure A'**. Our report is modified on the adequacy and operating effectiveness of the Group's internal financial controls with reference to Consolidated Financial Statements;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Holding Company, its subsidiary, its associate and joint venture incorporated in India to its directors during the year is in accordance with requisite approvals mandated by the provisions of Section 197, read with Schedule V of the Act.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2025 on the consolidated financial position of the Group, its associate and joint venture - Refer Note No. 23 to the Consolidated Financial Statements;

b) The Group did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;

c) There were no amounts that were required to be transferred to the investor education protection fund by the Holding Company, its subsidiary company, associate and joint venture, incorporated in India.

d) i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to accounts (refer Note No.30) no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group, its associate and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group, its associate and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to accounts (refer Note no.31) no funds have been received by the Group, its associate and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

(j) The Company has not declared or paid any dividend during the year.

(k) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with, in respect of accounting software for which the audit trail feature was operating. The Company has complied with the statutory requirements of preservation of the audit trail for transactions recorded in the software except for audit trail at the database level for accounting software SAP to log in any direct changes.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us and based on the CARO report issued by us for the Holding Company and subsidiary company audited by us and included in the Consolidated Financial Statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports. For other subsidiary companies not incorporated in India, reporting of paragraph 3(xxi) of the order are not applicable to the said subsidiary companies.

For **C N K & Associates LLP**
Chartered Accountants
Firm registration number: 101961 W/W-100036

Diwakar Sapre
Partner
Membership number: 040740
UDIN: 25040740BMIGMG2464

Place: Mumbai
Date: May 29, 2025

Annexure - A to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the Consolidated Financial Statements of **Essar Shipping Limited** ("the Holding Company') for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies, its associate and joint venture, incorporated in India as of that date.

In our opinion and to the best of our information and according to the explanations given to us, except In case of a step down subsidiary, although mitigating controls exist, the preventive controls with respect to inventory module needs to be strengthened, the Holding Company and its subsidiary companies, incorporated in India have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal control with reference to Consolidated Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, its associate and joint venture, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Consolidated Financial Statements criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiary company and its associate, incorporated in India, internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **C N K & Associates LLP**
Chartered Accountants
Firm registration number: 101961 W/W-100036

Diwakar Sapre
Partner
Membership number: 040740
UDIN: 25040740BMIGMG2464

Place: Mumbai
Date: May 29, 2025

Consolidated Balance Sheet as at 31 March, 2025

(₹ in crore)

	Particulars	Note no.	As at 31 March, 2025	As at 31 March, 2024
	ASSETS			
1	**Non-current assets**			
	(a) Property, plant and equipments	2 (A)	27.45	26.12
	(b) Capital work- in- progress	2 (A)	180.37	(0.00)
	(c) Investments	3	0.00	0.00
	(d) Other non-current assets	4	4.61	0.10
	Total non-current assets		**212.43**	**26.23**
2	**Current assets**			
	(a) Inventories	5	0.99	-
	(b) Financial assets			
	i. Investments in Mutual Funds	6 (A)	0.04	0.04
	ii. Trade and other receivables	6 (B)	15.13	18.66
	iii. Cash and bank balances	6 (C)	6.31	23.91
	iv. Loans	6 (D)	-	484.57
	v. Other financial assets	6 (E)	25.39	305.19
	(c) Other current assets	7	15.10	52.44
	(d) Asset classified as held for sale	8	24.18	-
	Total current assets		**87.14**	**884.80**
	TOTAL ASSETS		**299.57**	**911.02**
	EQUITY AND LIABILITIES			
1	**Equity**			
	Equity share capital	9 (A)	206.98	206.98
	Other Equity			
	Reserves and surplus	9 (B)	(2,586.61)	(3,014.29)
	Non-controlling Interests	9 (B)	-	133.66
	Total equity		**(2,379.63)**	**(2,673.65)**
	Liabilities			
2	**Non-current liabilities**			
	Financial liabilities			
	Borrowings	10 (A)	1,405.64	622.74
	Provisions	11	0.16	-
	Total non-current liabilities		**1,405.80**	**622.74**
3	**Current liabilities**			
	Financial liabilities			
	i. Borrowings	10 (A)	225.58	2,019.24
	ii. Trade payables			
	- Total outstanding dues to micro and small enterprises	10 (B)	0.07	-
	- Total outstanding dues to creditors other than micro and small enterprises	10 (B)	30.05	25.77
	iii. Other financial liabilities	10 (C)	995.67	892.95
	Employee benefit obligations	11	2.63	2.56
	Current tax liabilities	12 (A)	18.79	19.16
	Other current liabilities	12 (B)	0.60	2.25
	Total current liabilities		**1,273.40**	**2,961.93**
	Total liabilities		**2,679.20**	**3,584.67**
	TOTAL EQUITY AND LIABILITIES		**299.57**	**911.02**

See accompanying notes forming part of the Consolidated Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W - 100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Place: Mumbai
Date: 29 May 2025

Place: Mumbai
Date: 29 May 2025

Consolidated Statement of Profit and Loss for the year ended 31 March, 2025

(₹ in crore)

Particulars	Note no.	Year ended 31 March, 2025	Year ended 31 March, 2024
Income:			
Revenue from operations	13	10.26	20.24
Other income	14	237.08	62.38
Total income		**247.34**	**82.61**
Expenses:			
Operating expenses	15	7.90	43.41
Employee benefits expense	16	10.46	24.15
Finance costs	17	100.55	81.39
Depreciation	2 (A)	0.76	32.08
Other expenses	18	41.42	19.67
Total expenses		**161.09**	**200.70**
Profit / (loss) before exceptional items and tax		**86.25**	**(118.08)**
Exceptional items	19		
Income		666.75	80.35
Expenses		(96.43)	(67.41)
Profit / (loss) after exceptional items and before tax		**656.57**	**(105.14)**
Current tax	20	-	0.83
Profit / (loss) for the year before share in loss of associates		**656.57**	**(104.31)**
Share in profit / (loss) of associate		3.51	(0.00)
Profit / (loss) for the year after exceptional items		**660.08**	**(104.32)**
Attributable to:			
Shareholders of the parent		660.08	(118.10)
Non controlling interests		-	13.78
Profit / (loss) for the year after exceptional items		**660.08**	**(104.32)**
Items that will not be reclassified subsequently to profit and loss account			
Actuarial gain / (loss) on remeasurement of the Defined Benefit Plans		(0.17)	(0.41)
Total other comprehensive gain / (loss) for the year		**(0.17)**	**(0.41)**
Total comprehensive profit / (loss) for the year		**659.91**	**(104.73)**
Attributable to:			
Shareholders of the parent		**659.91**	**(118.51)**
Non controlling interests		**-**	**13.78**
Earnings per share before exceptional items (EPS)			
Basic (in ₹)	25	4.34	(5.67)
Diluted (in ₹)	25	4.34	(5.67)
Earnings per share after exceptional items (EPS)			
Basic (in ₹)	25	31.89	(5.04)
Diluted (in ₹)	25	31.89	(5.04)

See accompanying notes forming part of the Consolidated Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W - 100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Place: Mumbai
Date: 29 May 2025

Place: Mumbai
Date: 29 May 2025

Consolidated Statement of Cash Flows for the year ended 31 March, 2025

(₹ in crore)

	Particulars	Year ended 31 March, 2025 Audited	Year ended 31 March, 2024 Audited
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (Loss) before tax	656.57	(105.14)
	Adjustments for :		
	Exceptional Items		
	- Provision for doubtful/impairment of receivables [Refer note (c) below]	50.83	0.41
	- One Time Settlement charges paid to banks/ Fis [Refer note (d) below]	0.60	-
	- Gain on One Time Settlement with bank [Refer note (a) below]	(621.78)	(41.06)
	- Write off of claims receivable [Refer note (b) below]	45.00	66.99
	- Reversal of Provision for impairment of loans & advances receivable from subsidiary (net)	-	(39.29)
	- Interest on Claims Receivable [Refer note (b) below]	(44.97)	-
	Profit on sale of asset	(0.47)	-
	Gain on sale/Fair Vale of current investment measured at FVTPL	(0.00)	(0.04)
	Depreciation	0.76	32.08
	Finance costs	100.55	81.39
	Interest income	(0.17)	(27.67)
	Gain on sale of investment in a associate	(94.78)	-
	Profit / (loss) from discontinuing operation	(65.36)	-
	Realised foreign exchange gain	(133.85)	(1.08)
	Operating profit before working capital changes	**(107.08)**	**(33.40)**
	Changes in working capital:		
	(Increase) / Decrease in inventories	(0.99)	2.68
	(Increase) / Decrease in trade receivables, loans and advances and other assets	162.30	25.05
	Increase / (Decrease) in trade payables, other liabilities and short term provisions	481.25	(42.00)
	Cash generated from operations	**535.49**	**(47.68)**
	Income taxes refunded / (paid), net	(4.86)	1.18
	Net cash generated from operating activities	**530.63**	**(46.50)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Proceeds from sale of property, plant and equipment	0.49	(0.46)
	(Purchase) / Sale of Current Investments (Net)	(0.00)	1.71
	Proceeds from Investment	444.41	49.64
	Payment of Capital Expenditure	(180.37)	-
	Proceeds/(Investment) in Bank deposits	2.82	(0.80)
	Interest received	0.20	6.63
	Net cash (used in) / generated from investing activities	**267.55**	**56.72**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds to Deposits (net)	298.23	-
	Proceeds from long term borrowings	1,123.18	283.79
	Proceeds from short term borrowings	-	778.11
	Repayment of short term borrowings	(736.95)	-
	Repayment of NCDs	(320.00)	(0.40)
	Repayment of FCCBs	(534.18)	(1,003.45)
	Repayment of intercorporate deposits and long-term loans	(38.48)	(126.86)
	Finance costs paid	(2.53)	(1.72)
	Net cash used in financing activities	**(210.72)**	**(70.52)**
	INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**587.45**	**(60.30)**
	Foreign currency translation reserve	(602.23)	53.87
	Cash and cash equivalents at the beginning of the year	18.95	25.38
	Cash and cash equivalents at the end of the year	**4.17**	**18.95**

Note:

Reconciliation between cash and cash equivalents and cash and bank balances.

	Particulars	As at 31 March, 2025	As at 31 March, 2024
	Cash and cash equivalents as per cash flow statement	4.17	18.95
	Add: margin money deposits not considered as cash and cash equivalents as per Ind AS-7	-	3.87
	Cash and bank balances (Restricted and Unrestricted)	**4.17**	**22.82**

Notes to the statement of cash flows and disclosure of non cash transactions:

1) The statement of cashflow is prepared in accordance with he format prescribed as per Ind-AS 7

2) In Part-A of Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in bracket indicate cash outflows.

See accompanying notes forming part of the Consolidated Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W - 100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Place: Mumbai
Date: 29 May 2025

Place: Mumbai
Date: 29 May 2025

Consolidated Statement of Changes in Equity for the period ended 31 March, 2025

A. Equity Share Capital

(1) For the year ended March 31, 2025

(₹ in crore)

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at the April 1, 2024	Changes in equity share capital during the year 2024-25	Balance as at March 31,2025
206.98	-	206.98	-	206.98

(2) For the year ended March 31, 2024

(₹ in crore)

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at the April 1, 2023	Changes in equity share capital during the year 2023-24	Balance as at March 31,2024
206.98	-	206.98	-	206.98

B. Other Equity

(1) For the year ended March 31, 2025

(₹ in crore)

	Reserves and Surplus										
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	Share options outstanding reserve	Tonnage tax (utilised) reserve	Tonnage tax reserve	General reserve	Foreign currency translation reserve	Other comprehensive income	Non-controlling Interests	Total
Balance as on 1 April, 2024	**66.90**	**(6,151.89)**	**-**	**0.61**	**-**	**-**	**5,001.38**	**(1,936.88)**	**5.59**	**133.66**	**(2,880.64)**
Additions during the year	-									-	-
Share of profit of associate											-
Profit / (loss) of non-controlling interest										-	-
Profit / (loss) from discontinuing operation	(63.54)	65.36						(175.27)		(133.66)	**(307.10)**
Profit / (loss) for the year		580.14						21.16	(0.17)		**601.13**
Total Comprehensive Income for the current year	**(63.54)**	**645.50**	**-**	**-**	**-**	**-**	**-**	**(154.11)**	**(0.17)**	**(133.66)**	**294.03**
Transferred to General Reserve	-	-		-	-	-	-	-	-	-	-
Balance as on 31 March, 2025	**3.36**	**(5,506.39)**	**-**	**0.61**	**-**	**-**	**5,001.38**	**(2,090.99)**	**5.42**	**(0.00)**	**(2,586.61)**

(2) For the year ended March 31, 2024

(₹ in crore)

	Reserves and Surplus										
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	Share options outstanding reserve	Tonnage tax (utilised) reserve	Tonnage tax reserve	General reserve	Foreign currency translation reserve	Other comprehensive income	Non-controlling Interests	Total
Balance as on 31 March, 2023	**60.95**	**(6,020.82)**	**-**	**0.61**	**-**	**-**	**5,001.38**	**(1,997.17)**	**6.00**	**118.46**	**(2,830.60)**
Additions during the year	**5.95**									15.20	**21.15**
Share of profit od associate											-
Profit / (loss) of non-controlling interest											-
Profit / (loss) for the year		(131.07)						60.29	(0.41)		**(71.19)**
Total Comprehensive Income for the current year	**5.95**	**(131.07)**	**-**	**-**	**-**	**-**	**-**	**60.29**	**(0.41)**	**15.20**	**(50.04)**
Transferred to General Reserve	-	-	-	-	-	-	-	-			
Balance as on 31 March, 2024	**66.90**	**(6,151.89)**	**-**	**0.61**	**-**	**-**	**5,001.38**	**(1,936.88)**	**5.59**	**133.66**	**(2,880.64)**

See accompanying notes forming part of the Consolidated Financial Statements

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W - 100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Place: Mumbai
Date: 29 May 2025

Place: Mumbai
Date: 29 May 2025

Notes forming part of the consolidated financial statements for the year ended 31 March, 2025

Corporate information

Essar Shipping Limited ("the Company" or "ESL") was incorporated in September 2010 and is listed on the Bombay Stock Exchange and National Stock Exchange in India. The Company is mainly engaged in fleet operating and chartering activities and operates in international and coastal voyages. The Company has also directly and/or through its subsidiaries and associates (hereinafter referred to as "the Group") invested in diverse business verticals viz. Fleet operating and chartering (tankers and dry bulkers), oilfields services (land rigs and semi-submersible rig) and logistics services (trucks, trailers and tippers). The principal place of business of the Company is in Mumbai, India.

1) BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as Ind-AS) notified under section 133 of Companies Act, 2013 read with the relevant rules issued thereunder.

The Group's presentation currency is Indian Rupees. All amounts in these financial statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in crores.

Authorization of Financial Statements: The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 29 May, 2025.

<u>Historical cost convention</u>

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and
- Defined benefit plans where plan assets measured at fair value.

<u>Going concern basis of accounting</u>

These accounts have been prepared on a going concern basis.

In assessing the Group's going concern status, the Management has taken account of:

- the financial position of the Group;
- anticipated future trading performance;
- Expected settlement with lenders and asset monetization plans;
- its bank and other facilities, including facilities in default, or due to expire within the next 12 months;
- its capital investment plans;
- the likelihood of any material adverse legal judgments.

Refer Note 27 for further details.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Essar Shipping Limited, ('the Company'), its subsidiary companies, and the Group's share of profit / loss in its associates and joint venture. The consolidated financial statements have been prepared in accordance with the requirements of Ind AS 110, 'Consolidated Financial Statements' on the following basis:

1) The financial statements of the subsidiary companies and associates used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2023. These have been consolidated based on latest available financial statements.

2) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses, unless cost cannot be recovered.

3) The consolidated financial statements include the share of profit / loss of the associate and joint venture companies which have been accounted for using equity method as per Ind-AS 28, Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of each of the associate and joint venture

companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment at each balance sheet date and impairment loss, if any, is provided for. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company and such amounts are not set off between different entities.

4) The difference between the cost of investment in the associate and joint venture and the share of net assets at the time of acquisition of shares in the associate and joint venture is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

5) Following subsidiary companies and associates have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary as at	
				31 March, 2025	31 March, 2024
OGD Services Holdings Limited ("OGDSHL") (fka Essar Oilfields Services Limited)	Subsidiary	Mauritius	ESL	100%	100%
OGD Services Limited ("OGD") (fka Essar Oilfield Services India Limited)* (Note i)	Subsidiary	India	OGDSHL	0%	100%
Energy II Limited ("EIIL") (Note ii)	Subsidiary	Bermuda	ESL	0%	73%
Essar Shipping DMCC ("ES DMCC")	Subsidiary	United Arab Emirates	ESL	100%	100%
Starbit Oilfield Services India Limited ("SOSIL") (Note iii)	Associate	India	OGD	26%	100%
DrillXplore Services Private Limited	Subsidiary	India	ESL jointly with OGDSHL	73%	73%
Seros Drilling Private Limited (Note iii)	Joint venture	India	OGD	26%	26%

Notes:

i. OGD Services Limited got admitted under Corporate Insolvency Resolution Process (CIRP) and hence same has not been considered for Consolidation purpose as on 31-03-2025.

ii. ESL sold its entire shareholding in Energy II Limited during the year. As a result, Energy II Limited ceased to be a subsidiary of the Company with effect from 25-12-2024.

iii. The financial statements of Seros Oilfield Services India Limited and Seros Drilling Private Limited are considered for the purpose of preparation of Consolidated Financial Statements are based on the unaudited financials certified by the respective managements.

b) Use of estimates

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Critical estimates and judgments

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of Defined benefit obligation - refer note 10

Estimation of current tax/ deferred tax expenses and payable - refer note 19

Useful lives of property, plant and equipment- refer note 2(A)

Impairment of financial and non-financial assets- refer notes 18

Going Concern- refer note 27

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current/non-current as per the Group's normal operating cycle and other criteria set out in Division II to Schedule III of the Companies Act, 2013.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the item.

The cost of an item of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure including brokerage and start-up costs on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

When significant parts of PPE are required to be replaced at intervals, Group depreciates them separately based on their specific useful lives.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and changes if any are accounted in line with revisions to accounting estimates.

Capital Work in Progress:

Capital work in progress is stated at cost, net of impairment losses, if any.

Depreciation:

Depreciation on PPE is provided as per straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013 except in case of following category of PPE in whose case the life of the items of PPE has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support etc.

Nature of property, plant and equipment	Useful Life
Rigs	3-18 years

Depreciation on the plant and equipment of the Group's foreign subsidiaries, and associates has been provided on straight-line method/ written down value method as per the estimated useful life of such assets as follows:

Nature of property, plant and equipment	Useful life
Plant and machinery	8-15 years
Vehicles	5 years
Computers	3 years
Furniture and fixtures	10 years
Office equipment	3 years

Assets costing less than ₹ 5,000/- are fully depreciated in the year of capitalization. Depreciation on additions/deductions to PPE made during the year is provided on a pro-rata basis from / up to the date of such additions /deductions, as the case may be.

The property plant and equipment acquired under finance lease is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

e) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

(A) Lease Liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Group measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Short term lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

g) Assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell.

Property, plant and equipment classified as held for sale are not depreciated.

h) Impairment of non-financial assets

Non-financial assets other than inventories are reviewed at each standalone balance sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing is required for an asset or group of Assets, called Cash Generating Units (CGU), the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. In case of non-financial assets Group estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

i) Valuation of Inventory

Cost includes all charges in bringing the inventories to their present location and condition, including octroi and other levies, transit insurance and receiving charges and excluding rebated and discounts, if any. Inventories are valued at the lower of cost determined on first-in-first-out basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value is the estimated selling price in the ordinary course of business.

j) Revenue recognition

Fleet operating and chartering earnings represent the value of charter hire earnings, demurrage, freight earnings, fleet management fees and lighterage earnings, and are accounted on accrual basis in accordance with Ind AS 115. Freight earnings are recognised on a pro-rata basis for voyages in progress at balance sheet date after loading of the cargo is completed and Bill of lading is obtained. Revenues and related expenses for voyages where cargo has not been loaded as on the balance sheet date are deferred and recognised in the following year.

Rig operating and chartering earnings represent the value of charter hire earnings, rig operating earnings, rig mobilization and demobilization revenue and scrap sales and the same are accounted on accrual basis in accordance with Ind AS 115. Charter hire and rig operating are recognised based ion contractual daily rates billed on monthly basis. Rig mobilization and demobilization revenue and scrap sales income are recognized on instance basis. Any agreed deductions from the invoices by the customer is reduced from turnover. In case those deductions are related to previous year, the same will be charged off to profit and loss account.

The Group recognises revenue from contract with customers based on a five-step model as set out in Ind AS 115:

Step 1. Identify Contracts with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the Group satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

<u>Supervision and Management Fees</u>

Revenue from sale of services is recognized on accrual basis as and when the related services are rendered as per the terms of the contract with the customer.

<u>Interest income</u>

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).

<u>Dividend income</u>

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

<u>Other Income</u>

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

<u>Insurance Claims</u>

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

k) Operating expenses

All expenses relating to the operations including crewing, insurance, stores, bunkers, charter hire and special survey costs, rig operating expenses, mobilization and de-mobilization charges, transportation and catering are expensed under operating expenses on accrual basis. Dry-docking expenses are amortised over 30 months.

l) Employee benefits

i) Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, and performance incentives.

ii) **Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the balance sheet date.

iii) **Post employment benefit plan**

The Group(employer) and the employees contribute a specified percentage of eligible employees' salary- currently 12%, to the employer established provident fund "Essar Shipping Limited Employees Provident Fund" set up as an irrevocable trust by the Parent company. In case of subsidiaries, contribution is made to the established Government Provident fund. The Group is generally liable for annual contributions and any shortfall in the fund assets and recognizes such provident fund liability, considering fund as the defined benefit plan, based on an independent actuarial valuation carried out at every statutory year end using the Projected Unit Credit Method.

Provision for gratuity for the staff is made as under:

(i) For offshore officers on actuarial valuation.

(ii) For offshore crew on accrual basis as per rules of the National Maritime Board and is charged to the Statement of Profit and Loss.

Contribution to defined contribution retirement benefit schemes are recognised as expense in the Statement of Profit and Loss, when employees have rendered services entitling them to contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in Other Comprehensive Income, for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, and is otherwise amortised on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation and is adjusted both for unrecognised past service cost, and for the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme, if lower.

iv) **Employee Options**

The fair value of the options granted under the value of the Company, Employee Option Plan is recognised as employee benefits expense with the corresponding increase in equity. The total amount to be expensed is determined by the reference to the fair value of the options granted:

- including any market conditions (e.g., the entity's share price)
- excluding the impact of any service and non- market performance vesting conditions (profitability, sales growth targets and remaining an employee of the entity over the specified period), and
- including the impact of any non-vesting conditions (e.g. the requirement for the employee to save or holding shares for the specific period of time)

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimate of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with the corresponding adjustments to equity.

m) **Foreign currencies**

(i) Functional and presentation currency

The Group's financial statements are presented in Indian Rupee (INR), which is also the Group's functional and presentation currency.

(ii) Transaction and balances

Transactions in foreign currencies are translated into functional currency using the exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in Profit or loss. They are deferred in Equity if they relate to qualifying cash flow hedges. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in those foreign operations.

Foreign exchanges differences regarded as adjustments to borrowing costs are presented in the statement of Profit and loss, within finance cost. All other foreign exchange gains and losses as presented in the Statement of Profit and loss on a net basis within other gains/ (losses).

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Non-monetary items that are measured in terms of historical cost in a foreign currency, are translated using exchange rates on dates of initial recognition.

Exchange differences relating to Long term foreign currency monetary items are accounted in terms of Para D13AA of Ind-AS 101 as under:

(i) In so far as they relate to the acquisition of a depreciable capital asset, such differences are added to/deducted from the cost of such capital asset and depreciated over the balance useful life of the asset

(ii) In other cases, such differences are accumulated in "Foreign currency Monetary Items Translation differences account" and amortised in the statement of Profit and loss over the balance useful life of the long term foreign currency monetary item.

n) Investment in Associates and Joint venture

Investments in associates and joint venture are recorded at cost and reviewed for impairment at each reporting date.

o) Provisions and Contingencies

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market which can be accessed by the Group for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit and loss.

Financial Assets at amortised cost

Financial Assets such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at FVTOCI

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial Assets at FVTPL

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any Financial Asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, ESL decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit or loss.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  a) The Group has transferred substantially all the risks and rewards of the asset, or
  b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVPTL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition

Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial assets measured at fair value through other comprehensive income.

In case of other assets, the Group determines the loss allowance based on the quantum of increase in credit risk of the financial assets since initial recognition. If the credit risks have increased significantly, an appropriate amount is recognized as a loss allowance based on the expected credit methods.

r) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to profit or loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the drawdown occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any noncash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of atleast 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

Foreign currency convertible bonds (FCCBs)

FCCBs are separated into liability and equity components based on the terms of the contract. On issuance of the FCCBs, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are apportioned between the liability and equity components of the FCCBS based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group, or the counterparty.

s) Taxes on income

Current tax is the amount of tax payable as per special provisions relating to income of shipping companies under the Income Tax Act, 1961 on the basis of deemed tonnage income of the Group and tax payable on other taxable income for the year determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred tax relating to items directly recognised in reserves is recognised in reserves and not in the Statement of Profit and Loss.

Further, the companies are paying taxes on the basis of deemed tonnage income or as per the applicable tax laws in their country of incorporation.

t) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

u) Cash and Cash equivalents

For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

v) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

w) Operating segments

The Board of Directors of each of companies is considered to be the 'Chief Operating Decision Maker' (CODM) as defined in Ind AS 108. The operating segment is the level at which discrete financial information is available. The CODM allocates resources and assesses performance at this level. The Group has identified following reportable segments:

i. Fleet operating and chartering

ii. Oilfields services

Geographical segments

The CODM has also identified the reportable geographical segments in presenting the segment revenue based on the various risk bearing economic environments in which the Group operates. Revenue from foreign countries has been separately disclosed based on the materiality of the amount of revenue.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

x) **Exceptional items**

When items of income or expense are of such nature, size or incidence that their disclosure is necessary to explain the performance of the Group for the year, the Group makes a disclosure of the nature and amount of such items separately under the head “Exceptional Items”.

2 (A) Property, plant and equipment

Particulars	Land (₹ in crore)	Buildings (₹ in crore)	Fleet (₹ in crore)	Plant and equipment (₹ in crore)	Furniture and fixtures (₹ in crore)	Vehicles (₹ in crore)	Office equipment (₹ in crore)	Total (₹ in crore)	Capital work in progress (₹ in crore)
Gross Block									
As at 01.04.2023	0.13	2.20	100.42	3,100.04	0.41	5.38	1.44	3,210.01	60.34
Additions	-	-	-	-	-	-	0.13	0.13	-
Exchange differences	-	-	-	55.83	0.00	-	0.01	55.83	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer to assset held for sale	-	-	-	-	-	-	-	-	-
Disposals/ Retirement	-	-	(38.84)	-	-	-	-	(38.84)	-
As at 31.03.2024	**0.13**	**2.20**	**61.58**	**3,155.86**	**0.42**	**5.38**	**1.58**	**3,227.13**	**60.34**
Additions	-	-	-	-	0.02	-	-	0.02	180.37
Exchange differences	-	-	-	2.35	-	-	-	2.35	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer to assset held for sale	-	-	-	-	-	-	-	-	-
Disposals/ Retirement	(0.02)	(2.20)	(58.04)	-	-	-	-	(60.26)	-
As at 31.03.2025	**0.11**	**0.00**	**3.54**	**3,158.21**	**0.43**	**5.38**	**1.58**	**3,169.23**	**240.71**
Accumulated Depreciation									
As at 01.04.2023	**-**	**2.20**	**96.89**	**3,046.70**	**0.38**	**5.34**	**0.74**	**3,152.26**	60.34
Additions	-	-	0.71	31.34	0.03	-	0.03	32.11	-
Exchange differences	-	-	-	55.30	0.00	-	0.18	55.48	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer to assset held for sale	-	-	-	-	-	-	-	-	-
Disposals/ Retirement	-	-	(38.84)	-	-	-	-	(38.84)	-
As at 31.03.2024	**-**	**2.20**	**58.76**	**3,133.35**	**0.41**	**5.34**	**0.94**	**3,201.01**	**60.34**
Additions	-	-	0.71	-	-	-	-	0.71	-
Exchange differences	-	-	-	-	-	0.04	0.25	0.30	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer to assset held for sale	-	-	-	-	-	-	-	-	-
Disposals/ Retirement	-	(2.20)	(58.04)	-	-	-	-	(60.24)	-
As at 31.03.2025	**-**	**0.00**	**1.43**	**3,133.35**	**0.41**	**5.38**	**1.20**	**3,141.78**	**60.34**
Net Block									
As at 31.03.2024	**0.13**	**-**	**2.82**	**22.52**	**0.00**	**0.04**	**0.63**	**26.12**	**-**
As at 31.03.2025	**0.11**	**-**	**2.11**	**24.87**	**0.02**	**-**	**0.38**	**27.45**	**180.37**

(I) During the year, the holding company has sold land of book value ₹ 0.02 crore and booked profit on sale of ₹ 0.16 crore (Refer Note 14).

(II) During the year, the holding company has sold building of book value Nil (fully depreciated in books) and booked profit on sale of ₹ 0.31 crore (Refer Note 14).

(III) Assets have been written off during the year - as the neither related products are being manufactured nor the Assets are being used.

(IV) Assets given as security for borrowings

Plant & Machinery include semi-submersible rig, which is secured against the syndicated Term Loan availed by the Subsidiary Company.

(V) Impairment testing

Fleet: In view of pertinent slowdown in shipping industry, the Company has assessed 'recoverable amount' of each fleet by estimating their "value in use", in terms of IND-AS 36 "Impairment of Assets". 'Value in use' is estimated by applying appropriate discount rate to projected net cash inflows having regard to existing long term contracts, expected tariff based on past trends and costs to operate the fleet which represents the mangement's best estimate of the set of economic conditions that will exist over remaining useful life of each fleet. Based on the aforementioned assessment, it has been concluded that 'recoverable amount' of the fleet is higher than their respective carrying amount.

Rigs: In case of rigs in operation, the Group has considered higher of fair value less costs to sale and value in use for measuring recoverable value as per paragraph 18 of Ind AS 36 while ascertaining the impairment in the books. In the current year, as assessed by the management, there is no impairment.

3 Non-current investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Investments in equity shares - others (unquoted, fully paid up, at cost)		
2,500 (previous year 2,500) Equity shares of ₹10/- each of Ultra LNG Haldia Limited (₹ 25,000/-only)	0.00	0.00
Total	**0.00**	**0.00**
Aggregate amount of unquoted non - current investments	0.00	0.00
Less: Aggregate amount of provision for impairment other than temporary in value of investments	-	-
Total non-current investments	**0.00**	**0.00**

Information about the associates and Joint Venture

		Proportion of equity interest	
Name of the Company	Country of Incorporation and Principal Activities	As at 31 March, 2025	As at 31 March, 2024
		%	%
Seros Drilling Private Limited (Joint Venture)	India, Rig operating and chartering services	26.00%	26.00%
Seros Oilfield Services India Limited	India, Rig operating and chartering services	26.00%	26.00%

The carrying value of the Group's investment is derived as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Opening balance	-	36.01
Share of Profit / (loss) for the year	-	(0.24)
Sale of Investment during the year	-	(35.77)
Closing balance	**-**	**-**

4 Other non-current assets

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Income tax paid in advance	4.61	0.10
Total other non-current assets	**4.61**	**0.10**

5 Inventories

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
At lower of cost and net realisable value		
Stores and spares	0.99	-
Total Inventories	**0.99**	**-**

6 (A) Current investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Investment in mutual funds (quoted)		
Investment carried at Fair value through Profit & Loss		
SBI Liquid Fund Direct Growth	0.04	0.04
97.594 (Previous Year 97.594) Units of SBI Liquid Fund Direct Growth of Face Value ₹ 1,000	-	-
Total	**0.04**	**0.04**
Aggregate amount of quoted investment at cost	**0.03**	**0.03**
Aggregate amount of quoted investment at market value	**0.04**	**0.04**

6 (B) Trade and other receivables

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	15.13	18.66
Trade receivables which have significant increase in credit risk	0.16	0.16
Trade receivables - credit impaired	-	-
Less : Loss allowance	(0.16)	(0.16)
Total trade and other receivables	**15.13**	**18.66**

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Opening balance	0.16	0.75
Allowances created/(reversed) during the year	-	(0.59)
Closing balance	**0.16**	**0.16**

Particulars	Outstanding as on 31-03-2025 for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	12.86	(1.25)	3.52	-	-	15.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.16	-	-	0.16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
less: Loss allowance	-	-	-	-	-	(0.16)
Total	**12.86**	**(1.25)**	**3.68**	**-**	**-**	**15.13**

Particulars	Outstanding as on 31-03-2024 for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	3.28	(0.63)	16.01	-	-	18.66
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.16	-	-	0.16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
less: Loss allowance	-	-	-	-	-	(0.16)
Total	**3.28**	**(0.63)**	**16.16**	**-**	**-**	**18.66**

6 (C) Cash and bank balances

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Cash and Cash equivalent		
Balances with banks	4.17	18.95
Fixed Deposits with banks (maturity less than 3 months)	-	3.87
Other bank balances		
Fixed Deposits with banks (maturity more than 3 months)	2.14	1.09
Total Cash and bank balances	**6.31**	**23.91**

6 (D) Loans (Current)

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Unsecured, considered good		
Loan to related parties	-	484.57
Total loans (Current)	**-**	**484.57**

6 (E) Other financial assets (current)

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Interest accrued	0.04	0.07
Arbitration award receivable [See Note (a) below]	-	304.58
Receivables from related parties	0.02	0.02
Security deposits	0.04	0.52
Other advances [See Note (b) below]	25.29	-
Total other financial assets (current)	**25.39**	**305.19**

Notes:

(a) The holding company has settled its claim with Steel Authority of India Limited under Vivaad Se Vishwas Scheme by signing One Time Settlement agreement and realized ₹ 302 crore (including interest) towards full & final settlement on 29th May 2024 against ₹369 Crs receivable from SAIL. The balance receivable of ₹66.99 Crs is charged to Profit & Loss account as write off item during previous year. During the year, estimated interest income on SAIL award of ₹ 45 crores is written off as exceptional loss and actual interest income received on SAIL award ₹44.97 is booked as exceptional income.

(b) One of the foreign subsidiary has made an advance payment to suppliers for materials related to capital expenditure on a semi-submersible rig. The materials are expected to be delivered in the next financial year, and the advance will be adjusted against the cost of those materials upon delivery.

7 **Other Current assets**

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Income taxes	2.39	2.32
Prepayments	1.23	9.38
Balances with revenue authorities	7.12	5.33
Other advances	2.47	34.68
Security deposits	1.89	0.72
Total other current assets	**15.10**	**52.44**

Note: All above other current assets considered good and recoverable in future.

8 **Assets classified as held for sale**

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
53,83,457 (previous year Nil) Equity shares of US$ 1 each of Energy II Limited (Refer Note below)	24.18	-
	24.18	**-**

Note: The Holding Company has received amount of ₹ 443.21 crore towards partial sale of stake in the foreign subsidiary company. The Holding Company has recognized the sale of shares to the extent of consideration received and booked profit with ₹ 132.93 Crore on account of foreign exchange gain (Refer Note 14). Balance investment in the subsidiary by the Holding Company is classified as Asset held for sale. Transfer of shares in the name of the buyer is completed and required RBI compliances are in process.

9 **Equity Share capital and other equity**

9 (A) **Equity Share Capital**

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No of shares	₹ in crore	No of shares	₹ in crore
Authorised equity share capital				
Equity shares of ₹10/- each	500,000,000	500.00	500,000,000	500.00
Preference shares of ₹10/- each	150,000,000	150.00	150,000,000	150.00
	650,000,000	**650.00**	**650,000,000**	**650.00**
Issued, subscribed and fully paid up				
Equity shares of ₹10/- each	206,976,072	206.98	206,976,072	206.98
Issued during the year	-	-	-	-
Total	**206,976,072**	**206.98**	**206,976,072**	**206.98**

(i) **Movements in equity share capital**

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No of shares	Amount (₹ in crore)	No of shares	Amount (₹ in crore)
Opening balance	206,976,072	206.98	206,976,072	206.98
Issue during the year	-	-	-	-
Closing balance	**206,976,072**	**206.98**	**206,976,072**	**206.98**

Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shareholders holding more than 5% shares in the Company:

a) Shares held by holding company / ultimate holding company, their subsidiaries and associates

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	No of shares	₹ in crore	%	No of shares	₹ in crore	%
Essar Shipping Mauritius Holdings Limited, the immediate holding company	124,362,408	124.36	60.09%	124,362,408	124.36	60.09%
IDH International Drilling Holdco Limited, Cyprus, the intermediate holding company	21,406,365	21.41	10.34%	21,406,365	21.41	10.34%
	145,768,806	**145.77**	**70.43%**	**145,768,806**	**145.77**	**70.43%**

S. No	Shares held by Promoters at end of the year	As on 31st March, 2025		As on 31st March, 2024		% Change during the year
	Promoter Name	No of shares	% of total shares	No of shares **	% of total shares	
1	Essar Shipping Mauritius Holdings Limited, Mauritius	124,362,408	60.09%	124,362,408	60.09%	0.00%
2	IDH International Drilling Holdco Limited, Cyprus	21,406,365	10.34%	21,406,365	10.34%	0.00%
3	Essar Investment Holdings Mauritius Limited, Mauritius (FKA as Essar Ports & Shipping Limited, Mauritius, the holding company)	33	0.00%	33	0.00%	0.00%
4	Imperial Consultants and Securities Limited, India	6,878,409	3.32%	6,878,409	3.32%	0.00%

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date of the Balance Sheet.

Particulars	Year (Aggregate no. of shares)				
	2023-24	2022-23	2021-22	2020-21	2019-20
Equity shares issued for consideration other than cash					
Issued as fully paid up pursuant to a Scheme of arrangement	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Note: Shares reserved for issue under options

The Company had reserved issuance of 3,77,463 equity shares of ₹ 10/- each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Options Scheme. (ESOS) (refer note no.26 for details)

9 (B) Reserves and surplus

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Share options outstanding account	0.61	0.61
Securities Premium	3.36	66.90
General reserve	5,001.38	5,001.38
Foreign currency translation reserve	(2,090.99)	(1,936.88)
Retained earnings	(5,506.39)	(6,151.89)
Other Comprehensive Income	5.42	5.59
Total Reserves and surplus	**(2,586.61)**	**(3,014.29)**

10(A) Borrowings

Long - term borrowings				
	Non - current		**Current**	
Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**	**₹ in crore**	**₹ in crore**
Secured				
(a) Debentures				
8.25%, 2,50,00,000 Secured non convertible debentures of ₹ 100 each, secured by investment on shares of the subsidiary company and charge on rig or asset proposed to be owned by such subsidiary company. [refer foot note (a)]	250.00	-	-	-
1%, 6,00,00,000 Secured non convertible debentures of ₹ 100 each, secured by charge over the Overseas Direct Investments in two group companies. [refer foot note (b)]	600.00	-	-	-
1%, 3,20,00,000 (previous year Nil) non convertible debentures of ₹ 100 each, secured by current assets, receivables and Arbitration award receivable from Steel Authority of India Limited (SAIL) of the company [refer foot note (c)]	-	320.00	-	-
(b) Term loans				
(i) from banks				
Foreign currency term loans for refurbishment of Offshore semi submersible rig	-	-	75.48	707.35
(secured by first charge on a semi submersible rig and corporate guarantee by the Company and IDH International Holdco Limited). Interest rate of 4.5% (Previous year: Interest rate of 4.5%) [refer foot note (d)]				
(ii) from others				
Rupee term loan	8.25	296.74	7.11	777.71
(Secured by first charge on proceeds from the sale of borrowers investments held under subsidiaries) [refer foot note (e)]				
Total secured loans [A]	**858.25**	**616.74**	**82.60**	**1,485.07**

Unsecured				
(a) Foreign currency convertible bonds (FCCBs)	-	-	-	534.18
(b) Debentures [refer foot note (f)]	250.00	-	-	-
(b) Others [refer foot note (g)]	297.39	6.00	142.99	-
Total unsecured loans [B]	**547.39**	**6.00**	**142.99**	**534.18**
Total [A+B]	**1,405.64**	**622.74**	**225.58**	**2,019.24**
Less: Amount disclosed under the head other financial liabilities	-	-	(225.58)	(2,019.24)
Long - term borrowings	**1,405.64**	**622.74**	**-**	**-**

Nature of borrowing, including debt securities	Name of lender	Principal amount (in crs) not paid on due date	Interest amount (in crs) not paid on due date	Whether principal or interest	No. of days delay or unpaid
Foreign currency term loans for refurbishment of Offshore semi submersible rig	Punjab National Bank, UAE	75.48	3.40	Principal and Interest	1765

Foot notes:-

i) Repayment terms:

a) **Secured debentures:** 8.25%, 2,50,00,000 unlisted debentures issued on 8 August 2024 redeemable as per agreed terms. Debentures issued on preferential basis by conversion of outstanding secured loan into NCDs in one or more tranches to the extent of ₹ 250 crores. The same is secured by pledge on the shares of subsidiary company, charge on semi-submersible rig or asset proposed owned by above subsidiary company and any other security as may be agreed between both parties.

b) **Secured debentures:** 1%, 6,00,00,000 unlisted debentures issued on 8 August 2024 redeemable as per agreed terms. Debentures issued on preferential basis by conversion of outstanding secured loan into NCDs in one or more tranches to the extent of ₹ 600 crores. The same is secured by charge over the Overseas Direct Investments in subsidiary companies and any other security as may be agreed between both parties.

c) **Secured debentures:** 1%, 3,20,00,000 unlisted debentures issued on 13 December 2023 were fully redeemed by the holding company during the year.

d) The syndicated term loans of the Company from banks are secured by charge on Essar Wildcat Rig and corporate guarantees from IDH International Drilling Holdco Limited.

e) **Secured loan:** During the preceeding year, the holding company has borrowed additional inter-corporate deposits from a group company in order to redeem the FCCBs dues which were due as on 24 August, 2023. The intercorporate deposits received were converted into Non Convertible Debentures to the extent of ₹ 250 crores [refer foot note (c)]. Balance amount stands outstanding in books of accounts and carry interest @ 8.25% p.a. The loan is secured by sale proceeds from investment in overseas subsidiary companies. During the preceeding year, the holding ompany has borrowed loan from another company for redeeming the FCCB dues. The loan received was converted into Non Convertible Debentures to the extent of ₹ 850 crores [refer foot note (a) and (b)]. Balance amount stands outstanding in books of accounts. This loan is classified as current liability in the books of accounts and carry interest @ 8.25% p.a. The loan is secured by sale proceeds from investment in equity and preference shares of subsidiary companies.

f) **Unsecured debentures:** 1%, 2,50,00,000 unlisted debentures issued on 8 August 2024 redeemable as per agreed terms. Debentures issued on preferential basis by conversion of outstanding secured loan into NCDs in one or more tranches to the extent of ₹ 250 crores. The debentures are unsecured and unlisted.

g) **Unsecured loan:** The non-current borrowing of subsidiary company includes both the principal outstanding and the interest accrued till date. The same carries an interest rate of 7% per annum and is repayable in one installment on May 31, 2027. During the year, the holding company availed unsecured loan from another company amounting ₹200 crores in order to fund the repayment of secured loan [refer note (d)]. The loan was provided on urgent basis to enable the holding company to honour its commitment to repay the secured loan on demand as per the terms.

h) The classification of loans between current liabilities and non - current liabilities continues based on repayment schedule under respective agreements and on the basis of demands raised by banks & debenture holders.

i) **Interest rates:** Loans availed from banks and other lenders carry a weighted average interest rate of 5.42% per annum (previous year: 4.55% per annum).

j) **Scheduled repayments:** Refer Liquidity Risk table at Note 21(ix).

10(B) Trade payables

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Trade payables:		
- Total outstanding dues to micro and small enterprises (refer note below)	0.07	-
- Total outstanding dues to creditors other than micro and small enterprises	30.05	25.77
Total trade payable	**30.11**	**25.77**

Note: Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company. The Auditors have relied on the same. The required disclosures are given below:

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Principal amount due and remaining unpaid	0.07	-
Interest due and unpaid on the above amount	-	-
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium enterprises Act, 2006	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

Particulars	**Outstanding as on 31-03-2025 for following periods from due date of payment**					**Total**
	< 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	
(i) MSME	0.07	-	-	-	-	0.07
(ii) Others	12.27	0.81	0.33	0.06	16.58	30.05
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Particulars	**Outstanding as on 31-03-2024 for following periods from due date of payment**					**Total**
	< 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	
(i) MSME	-	-	-	-	-	-
(ii) Others	13.77	(1.63)	(0.80)	(1.82)	16.26	25.77
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

10(C) Other financial liabilities

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Interest accrued	114.52	177.86
Due to related parties (Refer Note 27)	863.18	715.09
Provisions	10.35	-
Total other financial liabilities (non-current)	**995.67**	**892.95**

11 **Employee benefit obligations (current)**

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Defined benefit plans	2.44	2.36
Defined contribution schemes	0.19	0.19
Total Employee benefit obligations	**2.63**	**2.56**
Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
Defined contribution schemes	0.16	-
Total Employee benefit obligations	**0.16**	**-**

I. Details of retirement benefits:

The employees of the Group are members of a state – managed retirement benefit plans namely provident fund, gratuity fund and superannuation fund operated by the Government of India. The Group is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The Group has recognised the following amounts in the Income Statement during the year under 'Contribution to staff provident and other funds. (refer note 15)

(₹ in crore)

Particulars	**Year ended 31 March, 2025**	**Year ended 31 March, 2024**
a) Employer's contribution to gratuity fund (offshore crew staff)	0.07	-
b) Group accident policy premium (all employees)	-	-
c) Employer's contribution to pension fund (offshore crew staff)	-	0.00
d) Employer's contribution to pension fund (office staff)	0.01	-
e) Employer's contribution to provident fund (offshore crew staff)	0.25	-
Total	**0.33**	**0.00**

II. Defined benefit plans

The Group operates funded gratuity, non funded gratuity and funded provident fund plan for qualifying employees. Under the plans the employees are entitled to retirement benefits depending upon the number of years of service rendered by them subject to minimum specified number of years of service. No other post retirement benefits are provided to these employees.

The actuarial valuation of plan assets and the present value of defined benefit obligation were carried out at March 31, 2025 by the certified actuarial valuer. The present value of the defined benefit obligation, related current service cost and past service cost were measured using the projected unit credit method.

(A) Changes in present value of defined benefit obligations:

Particulars	**Gratuity**	**Gratuity**	**Provident fund**	**Gratuity**	**Gratuity**	**Provident fund**
	(funded)	**(non-funded)**	**(funded)**	**(funded)**	**(non-funded)**	**(funded)**
	31.03.25	**31.03.25**	**31.03.25**	**31.03.24**	**31.03.24**	**31.03.24**
Present value of defined benefit obligations as at the beginning of the year	0.56	2.36	20.30	0.08	2.84	31.15
Transfer in/(out) obligation	-	-	-	-	-	-
Current service cost	0.08	-	-	0.07	-	-
Current service contribution- employee	-	-	-	-	-	-
Interest cost	0.03	-	-	0.01	-	-
Other adjustments	-	-	-	-	-	-
Benefits paid	(0.14)	-	(2.00)	-	(0.48)	(10.85)
Actuarial (gain)/loss on obligations	0.17	-	-	0.41	-	-
Present value of defined benefit obligations as at the end of the year	**0.69**	**2.36**	**18.30**	**0.56**	**2.36**	**20.30**

(B) Changes in the fair value of plan assets:

Particulars	Gratuity	Provident fund	Gratuity	Provident fund
	(funded)	(funded)	(funded)	(funded)
	31.03.25	31.03.25	31.03.24	31.03.24
Fair value of plan assets at the beginning of the year	**0.55**	**31.15**	**0.46**	**31.15**
Transfer in/(out) plan assets	-	-	-	-
Return on plan assets	(0.00)	0.05	(0.00)	-
Interest income on plan assets	0.04	1.67	0.03	-
Contributions by the employer/ employees	0.01	-	0.06	-
Benefits paid	(0.14)	(10.84)	-	-
Other adjustments	-	-	-	-
Fair value of plan assets as at the end of the year	**0.46**	**22.03**	**0.55**	**31.15**

(C) Amount recognised in balance sheet:

Particulars	Gratuity	Gratuity	Provident fund	Gratuity	Gratuity	Provident fund
	(funded)	(non-funded)	(funded)	(funded)	(non-funded)	(funded)
	31.03.25	31.03.25	31.03.25	31.03.24	31.03.24	31.03.24
Present value of defined benefit obligations as at the end of the year	**0.69**	**2.36**	**18.30**	**0.56**	**2.36**	**20.30**
Fair value of plan assets as at end of the year	0.46	-	22.03	0.55	-	31.15
Liability recognised in the Balance Sheet (included in provisions) (note 10)	**0.24**	**2.36**	**-**	**0.00**	**2.36**	**-**

(D) Expenses recognised in the Statement of Profit and Loss:

Particulars	Gratuity	Gratuity	Provident fund	Gratuity	Gratuity	Provident fund
	(funded)	(non-funded)	(funded)	(funded)	(non-funded)	(funded)
	31.03.25	31.03.25	31.03.25	31.03.24	31.03.24	31.03.24
Current service cost	0.08	-	-	0.07	-	-
Past service cost- plan amendments	-	-	-	-	-	-
Net interest on net defined benefit liability/ (asset)	(0.00)	-	-	(0.03)	-	-
Total expenses recognised in the Statement of Profit and Loss (Included in Contribution to provident and other funds (note no. 15)	**0.07**	**-**	**-**	**0.04**	**-**	**-**

(E) Amount recongnised in other comprehensive income

Particulars	31.03.25	31.03.24
Experience adjustments	(0.17)	(0.41)
Total	**(0.17)**	**(0.41)**

(F) Category of plan assets:

Particulars	Gratuity	Provident fund	Gratuity	Provident fund
	(funded)	(funded)	(funded)	(funded)
	31.03.25	31.03.25	31.03.24	31.03.24
Administered by Life Insurance Corporation of India & SBI *	100%		100%	
Government of India securities (Central and State)		32.00%		32.00%
Public sector bonds/ TDRs		68.00%		68.00%

*The Group is unable to obtain the details of plan assets from the State Bank of India and hence the disclosure thereof is not made.

(G) Sensitivity analysis

Particulars	Gratuity (funded) 31.03.25	Gratuity (funded) 31.03.24
DBO On base assumptions	1.57	1.57
A. Discount Rate	6.60%	7.20%
1. Effect due to 0.5% increase in discount rate	(0.68)	(0.54)
2. Effect due to 0.5% decrease in discount rate	0.70	0.57
B. Salary Escalation Rate	5.00%	5.00%
1. Effect due to 0.5% increase in salary escalation rate	0.70	0.56
2. Effect due to 0.5% decrease in salary escalation rate	(0.68)	(0.54)
C. Withdrawal Rate	8.00%	8.00%
1. Effect due to 5% increase in withdrawal rate	(0.69)	(0.56)
2. Effect due to 5% decrease in withdrawal rate	0.69	0.55

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments % which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit.

(H) Actuarial assumptions

Actuarial valuations were done in respect of the aforesaid defined benefit plans based on the following assumptions:

(I) General assumptions:

Particulars	Gratuity (funded) 31.03.25	Gratuity (non-funded) 31.03.25	Provident fund (funded) 31.03.25	Gratuity (funded) 31.03.24	Gratuity (non-funded) 31.03.24	Provident fund (funded) 31.03.24
Discount rate (per annum)	6.60%	6.70%	6.60%	7.20%	6.70%	6.60%
Rate of return on plan assets (for funded scheme)	0.00%	0.00%	8.00%	0.00%	0.00%	8.00%
Withdrawal rate	8.00%	7.00%		8.00%	7.00%	
Expected returns on EPFO	-	-	8.00%	-	-	8.00%
Rate of increase in compensation	5.00%	5.00%		5.00%	5.00%	

ii) Mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Table.

iii) Leave policy: Leave balance as at the valuation date and each subsequent year following the valuation date to the extent not availed by the employee accrued till 31 December, 2014, is paid to the respective employees during the year.

iv) The contribution to be made by the Company for funding its liabilities for gratuity (funded and non funded) and towards provident fund during the financial year 2024-25 amounts to ₹ 0.32 crore.

v) The expected rate of return on plan assets is based on market expectation, at the beginning of the year, for returns over entire life of the related obligation.

vi) The assumption of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion, supply and demand and other relevant factors.

vii) Liability on account of long term absences has been actuarially valued as per Projected Unit Credit Method.

viii) Short term compensated absences have been provided on actual basis.

12 (A) Current tax liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Provision for taxation	18.79	19.16
Total Current tax liabilities	**18.79**	**19.16**

12 (B) Other current liabilities

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Statutory and other related dues	0.60	2.22
Advance from others	-	0.03
Total other current liabilities	**0.60**	**2.25**

13 Revenue from operations

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Sale of services		
Fleet operating and chartering earnings	0.15	1.84
Rig operating and chartering earnings	-	10.93
Other operating income		
Supervision / management fees	10.12	7.46
Total	**10.26**	**20.24**

14 Other income

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Interest income		
- from banks	0.17	0.92
- from related parties on intercorporate deposits (refer note 27)	-	25.21
- from others	7.69	1.54
Profit on sale of investment*	94.78	13.87
Net gain /(loss) on foreign currency translation and transactions*	133.85	1.08
Profit on sale of asset	0.47	
Other non operating income	0.12	19.76
Total	**237.08**	**62.38**

***Note:** The Holding Company has recognized the sale of shares to the extent of consideration received and booked profit with ₹ 132.93 Crore on account of foreign exchange gain. Balance investment in the subsidiary by the Holding Company is classified as Asset held for sale (Refer Note 8). Transfer of shares in the name of the buyer is completed and required RBI compliances are in process.

15 **Operating expenses**

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Consumption of stores and spares	2.66	10.16
Consumption of fuel, oil and water	0.01	12.09
Direct voyage expenses	-	2.41
Standing costs	5.23	9.44
Insurance, protection and indemnity club fees	-	9.29
Total	**7.90**	**43.41**

16 **Employee benefits expense**

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Offshore staff		
Salaries, wages and bonus	-	15.14
Contribution to staff provident and other funds	-	0.00
Staff welfare expenses	-	1.40
Office staff		
Salaries, wages and bonus	9.22	7.00
Contribution to staff provident and other funds	0.41	0.27
Staff welfare expenses	0.83	0.33
Total	**10.46**	**24.15**

17 **Finance costs**

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Interest expense		
- on bank loans	3.36	32.17
- on debentures	19.34	0.96
- on others	77.52	46.28
Loan commitment / processing charges, guarantee fees and other charges	0.33	1.98
Total	**100.55**	**81.38**

18 **Other expenses**

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Rent	1.42	1.20
Rates and taxes	0.16	0.13
Repairs and maintenance		
- buildings	0.49	0.49
- others	0.37	0.22
Legal and professional fees	5.56	4.95
Travelling and conveyance	3.27	1.66
Auditor's remuneration (refer note below)	0.27	0.22
Net loss on foreign currency translation and transaction (other than considered as finance cost)	-	0.22
Sundry balances written-off	28.02	4.70
Reversal of written back	-	0.02
Other establishment expenses	1.86	5.85
Total	**41.42**	**19.67**

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
As auditors	0.27	0.21
Reimbursement of expenses	0.00	0.00
For other services	0.01	0.01
Total	**0.27**	**0.22**

19 **Exceptional Items**

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Income		
Gain on One Time Settlement with bank [Refer note (a) below]	621.78	41.06
Reversal of Provision for impairment of loans & advances receivable from subsidiary (net)	-	39.29
Interest on Claims Receivable [Refer note (b) below]	44.97	-
Total	**666.75**	**80.35**
Expenses		
Provision for doubtful/impairment of receivables [Refer note (c) below]	50.83	0.41
Write off of claims receivable [Refer note (b) below]	45.00	66.99
One Time Settlement charges paid to banks/ Fis [Refer note (d) below]	0.60	-
Total	**96.43**	**67.41**

(a) Gain on One Time Settlement with bank

One of the foreign subsidiary company have settled the loan with two of its lenders and Gain on One Time Settlement amounting to ₹ 514.28 crore on principal component and ₹107.50 crore on Interest component is accounted. No Dues Certificate is received from the respective lenders.

(b) Interest Income on Claims receivable/ Write off of claims receivable

During the year, the holding company has signed a settlement agreement with Steel Authority of India Limited (SAIL) under the Vivad Se Vishwas Scheme - II. As per the Scheme, the company received 65% of original claim amount plus interest which was accounted as exceptional item in the earlier year. Amount of interest estimated was ₹45 crores. However, actual interest of ₹44.97 crores was received by the company on SAIL award. Estimated amount of ₹45 crore is reversed as exceptional loss and actual interest received of ₹44.97 crore is booked as exceptional income.

(c) Provision for Impairment of Receivables

During the year, the holding company has paid ₹ 50 crore by way of One Time Settlement to lenders of a subsidiary company for which the holding company was Guarantor. The holding company has additionally paid finance cost to one of the lenders amounting to ₹ 0.83 crore. The holding company has made Impairment provision for the amount receivable from this subsidiary because it is under liquidation.

(d) One Time Settlement charged paid to banks/ FIs

The holding company had settled the loan with the bank in earlier years and paid the dues through monetisation of assets and recognised gain on settlement. Post settlement, the bank assigned the said loan to an Asset Reconstruction Company (ARC) and the company was showing the liability as Contingent liabilities. Now during the quarter, the holding company have paid ₹ 0.60 crores to ARC agains the same as final settlement and received no due certificate from ARC company. The amount paid is shown as an exceptional item.

20 Income taxes

Income tax expense recognised in the profit and loss account comprises of:

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Current income taxes	-	(0.83)
Income tax expense for the year	**-**	**(0.83)**

The reconciliation of income tax expense applicable to accounting profit before income tax at statutory income tax rate to income tax expense at the Company's effective income tax rate for the year ended 31 March, 2025 and 31 March, 2024 are as follows:

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
Profit / (Loss) before taxes	656.57	(105.14)
Effective tax rate in India: 25.168%*	-	-
Tax effect of adjustment for profits subject to tonnage tax regime / presumptive taxation	-	(0.83)
Income tax expense recognised in the profit and loss account	**-**	**(0.83)**

*** Effective tax rate is Nil on account of losses during the year.**

Note: In case of Indian shipping companies, tax expense is computed based on the gross tonnage of the vessels for the income subject to tonnage tax. In case of income not subject to tonnage tax, the same is calculated based on the taxable profits calculated in accordance with the applicable tax laws.

21 Financial Instruments

(i) Capital management

The Group manages its capital to ensure that entities in the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from the previous year. The capital structure of the company consists of debt, which includes the borrowings including temporary overdrawn balance, cash and cash equivalents including short term bank deposits, equity comprising issued capital, reserves and non-controlling interests. The gearing ratio for the year is as under:

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Debt (including borrowings from related and unrelated parties and finance lease obligations)	1,631.22	2,641.98
Less: Cash and cash equivalent including short term deposits (restricted)	(6.31)	(23.91)
Less: Current Investments in Mutual Fund	(0.04)	(1.71)
Net debt (A)	**1,624.87**	**2,616.36**
Total equity (B)	**(2,379.63)**	**(2,673.65)**
Net debt to equity ratio (A/B)	**(0.68)**	**(0.98)**

(ii) Categories of financial instruments

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	₹ in crore	₹ in crore	₹ in crore	₹ in crore
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
At amortised cost				
Cash and cash equivalents	6.31	6.31	23.91	23.91
Loans and other receivables	15.13	15.13	503.22	503.22
Other financial assets	25.39	25.39	305.19	305.19
At fair value through profit and loss				
Investments in Mutual Funds	0.04	0.04	1.71	1.71
Total	**46.87**	**46.87**	**834.03**	**834.03**
Financial liabilities:				
At amortised cost				
Borrowings (Including current maturities)	1,631.22	1,631.22	2,641.98	2,641.98
Trade and other payables	30.11	30.11	25.77	25.77
Other financial liabilities	995.83	995.83	892.96	892.96
Total	**2,657.17**	**2,657.17**	**3,560.71**	**3,560.71**

Fair value measurements recognised in the statement of financial position:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

-Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

-Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

a) Cash and short-term deposits, trade and other receivables, trade and other payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

b) The fair value of loans from banks and other financial indebtedness as well as other non current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.

c) Derivative instruments have been fair valued on the reporting date on the basis of quotes provided by the third party qualified valuer / market participants.

Fair Value Hierarchy

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
	Level 2	Level 2
Assets		
Investments in Mutual Fund	0.04	0.04

(iii) Financial risk management objectives:

The Group's principal financial liabilities comprise of loan from banks and financial institutions, finance lease obligations, overdrafts and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables, cash and short term deposits, which arise directly from its operations.

The main risks arising from Group's financial instruments are foreign currency risk, interest rate risk, credit risk and liquidity risk. The Board of Directors review and agree policies for managing each of these risks.

(iv) Foreign currency risk:

Foreign currency risk mainly arises from transactions undertaken by an operating unit denominated in currencies other than its functional currency. Exposure to foreign currency risk is partly mitigated by natural hedges of matching revenues and costs.

The carrying amounts of the Group's financial assets and financial liabilities denominated in foreign currencies at the reporting date are as follows:

	As at 31 March, 2025		As at 31 March, 2024	
Particulars	**₹ in crore**	**₹ in crore**	**₹ in crore**	**₹ in crore**
	Financial assets	**Financial liabilities**	**Financial assets**	**Financial liabilities**
United States Dollars (US$)	778.28	331.26	801.23	347.13
Currencies other than INR & US$	-	-	-	-
Total	**778.28**	**331.26**	**801.23**	**347.13**

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currency against the relevant foreign currencies of all the companies in the Group. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the respective functional currency strengthens by 5% against the relevant foreign currency. For a 5% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

Particulars	**As at 31 March, 2025**	**As at 31 March, 2024**
	₹ in crore	**₹ in crore**
US$ impact	22.35	22.71

(impact on profit before tax)

(v) Interest rate risk:

The Group is exposed to interest rate risk as entities in the Company borrow funds at floating interest rates. The interest rate risk is managed by monitoring the Group's level of borrowings periodically and structuring its borrowings on varying maturities and interest rate terms. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to interest rates at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31 March, 2025 would increase/decrease by ₹ 9.96 crore (previous year ₹ 8.76 crore). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

(vi) Other price risk:

The Group is not exposed to any significant equity price risks arising from equity investments, as on March 31, 2025. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Equity price sensitivity analysis:
There is no exposure to equity price risks as at the reporting date or as at the previous reporting date.

(vii) Credit risk:

The credit risk is primarily attributable to the Group's trade and other receivables and guarantees given by the Group on behalf of others. The amounts presented in this standalone statement of financial position are net of allowances for doubtful receivables, estimated by management based on prior experience and their assessment of the current economic environment. The maximum related party credit exposure at 31 March, 2025 on account of carrying amount of advances /deposit, trade and other receivables and guarantees are disclosed in note 26 on related party transactions. Based on the credit worthiness of the related parties, financial strength of related parties and its parents and past history of recoveries from them, the credit risk is mitigated. Credit risk relating to unrelated parties are minimised as the Group deals only with reputed parties.

Cash and cash equivalents are held with reputable and credit-worthy banks.

(viii) Fair value of financial instruments:

All financial assets are initially recognised at fair value of consideration paid. Subsequently, financial assets are carried at fair value or amortized cost less impairment. Where non – derivative financial assets are carried at fair value, gains and losses on re- measurement are recognised directly in equity unless the financial assets have been designated as being held at fair value through profit or loss, in which case the gains and losses are recognised directly in the standalone statement of profit and loss. Financial assets are designated as being held at fair value through profit or loss when it is necessary to reduce measurement inconsistency for related assets and liabilities. All financial liabilities other than derivatives are initially recognised at fair value of consideration received net of transaction costs as appropriate (initial cost) and subsequently carried at amortised cost.

(ix) Liquidity risk:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group monitors its risk of shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations, public offerings and refinancing of current borrowings.

Liquidity table:

The following tables detail the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

Particulars	As at 31 March, 2025			
	Within one year	One to five years	more than five years	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Financial instruments:				
Borrowings	225.58	1,405.64	-	1,631.22
Trade and other payables	30.11	-	-	30.11
Other financial liabilities	995.67	0.16	-	995.83
Total financial liabilities	**1,251.37**	**1,405.80**	**-**	**2,657.17**

Particulars	As at 31 March, 2025			
	Within one year	One to five years	more than five years	Total
	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Financial instruments:				
Borrowings	2,019.24	622.74	-	2,641.98
Trade and other payables	25.77	-	-	25.77
Other financial liabilities	892.95	-	-	892.95
Total financial liabilities	**2,937.97**	**622.74**	**-**	**3,560.71**

21 Leases

Details of leasing arrangements:

a) Finance leases: Group as a lessee

The group has not entered into any non-cancellable finance lease.

b) Operating leases: Group as a lessee

The group has not entered into any non-cancellable operating lease.

23 Contingent liabilities (to the extent not provided for)

a) Claims against the company not acknowledged as debts	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Income tax demand -appeal filed by the Income tax department in the High court of Bombay against the order of Appellate Tribunal in favour of the Company	319.04	310.42

b) Others	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Claims against the Group not acknowledged as debt	38.50	38.50

24 Segment reporting

a) Basis of segmentation

The group has the following two reportable segments based on the information reviewed by the group's Chief Operating Decision Maker ('CODM')

a) Fleet operating and chartering

b) Oilfields services

Segments have been identified taking into account the organisational structure, nature of services, different risks and internal reporting system.

The Board of Directors of the company is considered to be the CODM which is responsible for allocating resources and assessing performance of the operating segments.

b) **Business segment**

Particulars	As at 31 March, 2025	As at 31 March, 2024
	₹ in crore	₹ in crore
Segment Revenue		
Operating Income		
Fleet operating and chartering	20.50	17.46
Rig operating and chartering	-	10.93
Total	**20.50**	**28.38**
Less: Inter segment revenue	(10.23)	(8.15)
Total Income from operations	**10.26**	**20.24**
Other income unallocated	237.08	62.38
Total Income	**247.34**	**82.61**
Segment Results		
Fleet operating and chartering	216.83	53.36
Rig operating and chartering	(30.03)	(90.05)
Total	**186.80**	**(36.69)**
Less: Unallocated interest and finance costs	(100.55)	(81.39)
Profit / (Loss) before tax	**86.25**	**(118.08)**
Exceptional items	570.32	12.94
Profit / (Loss) for the period / year after exceptional items	**656.57**	**(105.14)**
Less: Tax expense	-	0.83
Profit / (Loss) for the period / year before share of profit of associate	**656.57**	**(104.31)**
Share of profit / (loss) of associate	3.51	(0.00)
Profit / (Loss) for the period / year after share of profit / (loss) of associate	**660.08**	**(104.32)**
Capital employed (segment assets-segment liabilities)		
Fleet operating and chartering	**(118.38)**	**(1,788.71)**
- Assets	57.31	22.29
- Liabilities	(175.69)	(1,811.00)
Oilfields services	**(788.18)**	**(1,009.26)**
- Assets	216.87	98.97
- Liabilities	(1,005.05)	(1,108.23)
Unallocated	**(67.26)**	**747.06**
- Assets	25.39	789.76
- Liabilities	(92.65)	(42.70)
Total	**(973.82)**	**(2,050.91)**

c) **Geographical segment**

The geographical information analyses the Group's revenue by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographical selling location.

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
	₹ in crore	₹ in crore
India	0.15	1.98
Indonesia	-	58.69
Mauritius	10.12	-
Total	**10.26**	**60.67**

25 Earning per share

The calculation of the basic and diluted earnings per share is based on the following data:

Particulars	Year ended 31 March, 2025 ₹ in crore	Year ended 31 March, 2024 ₹ in crore
Loss for the year before exceptional items	89.76	(117.26)
Loss for the year after exceptional items	660.08	(104.32)
Equity shares at the beginning of the year (nos.)	206,976,072	206,976,072
Equity shares issued during the year (nos.)	-	-
Equity shares at the end of the year (nos.)	206,976,072	206,976,072
Weighted average equity shares for the purpose of calculating basic earnings per share (nos.)	206,976,072	206,976,072
Weighted average equity shares for the purpose of calculating diluted earnings per share (nos.)	206,976,072	206,976,072
Earnings per share - basic before exceptional items (face value of ₹10/- each)	4.34	(5.67)
Earnings per share - diluted before exceptional items (face value of ₹10/- each)	4.34	(5.67)
Earnings per share - basic after exceptional items (face value of ₹10/- each)	31.89	(5.04)
Earnings per share - diluted after exceptional items (face value of ₹10/- each)	31.89	(5.04)

Note:

Equity shares to be issued upon exercise of Employee Stock Option scheme have not been considered for the purpose of calculation of weighted average number of diluted equity shares, as they are anti dilutive.

26 Employee Stock Option Scheme

In the Annual general meeting held on September 9, 2011, the shareholders approved the issue of Employee Stock options under the Scheme titled “Essar Shipping Employee Stock options Scheme -2011” (hereafter named ESOS A).

The ESOS A allows the issue of options to employees and executive Directors of the Company and its subsidiaries (whether in India or abroad). Each option comprises one underlying equity share.

As per the Scheme, the Compensation Committee grants the options to the employees deemed eligible. The exercise price of each option shall be determined by the Compensation committee as per the said scheme. The options granted vest in a graded manner over a period of 5/4/3 years from the date of the grant in proportions specified in the Scheme. Options may be exercised within 7 years from the date of vesting. The Company has issued the said ESOS in two tranches on November 2, 2011 and February 8, 2012 at an exercise price of ₹ 22.30 each, the market price of the shares on the grant date of the ESOS was ₹ 22.30 per share and ₹ 31.30 per share respectively.

The difference between the market price of the share underlying the options granted on the date of grant of option and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period.

27 Related party relationships, transactions and balances: (as per IND-AS 24)

a) Holding companies

i) Essar Global Fund Limited , Cayman Island, ultimate holding company
ii) IDH International Drilling Holdco Limited, Cyprus, intermediate holding company
iii) Essar Shipping Mauritius Holdings Limited, Mauritius, immediate holding company

b) Associates

i) Arkay Logistics Limited, India (till 31.05.2023)
ii) Seros Drilling Private Limited
iii) Seros Oilfield Services India Limited

c) Key management personnel

i) Mr. Rajesh Desai (Whole Time Director)
ii) Mr. Vipin Jain (Chief Financial Officer from 01.10.2022 and Whole Time Director from 28.05.2024)
iii) Ms. Nisha Barnwal (Company Secretary till 12.04.2024)
iv) Ms. Rachana Trivedi (Company Secretary from 01.04.2024 to 31.03.2025)
v) Mr. Bharat Modi (Company Secretary from 01.04.2025)
vi) Mr. Jayakumar (Non- Executive Independent Director)
vii) Ms. Raichel Mathew (Non- Executive Woman Director)

viii) Ms. Raji Chandrashekhar (Independent Director)
ix) Mr. R Suresh (Independent Director)
x) Mr. Sunil Modak (Independent Director)
xi) Mr. Saurabh Dhariwal

d) Fellow subsidiaries / Other related parties :

i) Equinox Realty Holdings Limited
ii) Essar Capital Holdings Limited
iii) Essar Shipping (Cyprus) Limited
iv) Essar Capital (Mauritius) Limited
v) Essar Steel Metal Trading Limited
vi) Futura Travels Limited
vii) Edwell Infrastructure Hazira Limited
viii) Bhagwat Power Salaya Limited
ix) Essar Investment Holdings Mauritius Limited
x) Essar Minmet Limited
xi) Essar Projects Limited
xii) Essar Projects (India) Limited
xiii) Essar Holdco Mauritius Limited
xix) Essar Energy Holdings Limited
xx) Black Box Limited
xxi) Essar Power Limited
xxii) Essar Constructions India Limited
xxiii) Essar Capital Advisory India Limited
xxiv) Energy II Limited (from 28.09.2024)

e) Trusts:

(i) Essar Shipping Staff Provident Fund Trust

f) Details of transactions with related parties during the year ₹ in crore

Nature of transactions	Holding Companies / Promoter group companies		Fellow subsidiaries/ Trust/ associates		Managerial remuneration / Sitting fees		Total	
	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024
Revenue from operations								
Essar Investment Holdings Mauritius Limited	-	-	7.36	7.47	-	-	7.36	7.47
Total	**-**	**-**	**7.36**	**7.47**	**-**	**-**	**7.36**	**7.47**
Reimbursement of Expenses								
Essar Investment Holdings Mauritius Limited	-	-	15.02	14.58	-	-	15.02	14.58
Total	**-**	**-**	**15.02**	**14.58**	**-**	**-**	**15.02**	**14.58**
Sale of Equity shares								
Equinox Realty Holdings Limited	-	-	-	-	443.21	-	443.21	-
Total	**-**	**-**	**-**	**-**	**443.21**	**-**	**443.21**	**-**
Interest income								
Equinox Reality Holdings Limited	-	-	1.63	-	-	-	1.63	-
Essar Global Fund Limited	-	0.56	-	-	-	-	-	0.56
Essar Capital Holdings Limited	-	-	-	10.79	-	-	-	10.79
Essar Projects Limited	-	-	-	0.01	-	-	-	0.01
Essar Energy Holdings Limited	-	-	-	0.19	-	-	-	0.19
Total	**-**	**0.56**	**1.63**	**10.99**	**-**	**-**	**1.63**	**11.55**

Managerial remuneration#								
Vipin Jain	-	-	-	-	0.78	0.66	0.78	0.66
Saurabh Dhariwal	-	-	-	-	0.97	-	0.97	-
Rajesh Desai	-	-	-	-	0.10	0.10	0.10	0.10
Nisha Barnwal	-	-	-	-	-	0.06	-	0.06
Rachana Trivedi	-	-	-	-	0.15	-	0.15	-
Sitting Fees paid to Non-Executive Directors					0.11	0.25	0.11	0.25
Total	**-**	**-**	**-**	**-**	**2.11**	**1.07**	**2.11**	**1.07**
Professional fees								
Raichel Mathew	-	-	-	-	0.10	0.11	0.10	0.11
Essar Constructions India Limited	-	-	0.30	-	-	-	0.30	-
Total	**-**	**-**	**0.30**	**-**	**0.10**	**0.11**	**0.40**	**0.11**
Finance cost								
Arkay Logistics Limited	-	-	0.91	-	-	-	0.91	-
Essar Steel Metal Trading Limited	-	-	10.28	10.28	-	-	10.28	10.28
Energy II Limited	-	-	4.98	-	-	-	4.98	-
Total	**-**	**-**	**16.17**	**10.28**	**-**	**-**	**16.17**	**10.28**
Ticket charges								
Futura Travels Limited	-	-	1.50	0.90	-	-	1.50	0.90
Total	**-**	**-**	**1.50**	**0.90**	**-**	**-**	**1.50**	**0.90**
Maintenance charges								
Essar Capital Advisory India Limited	-	-	0.01	-	-	-	0.01	-
Black Box Limited	-	-	0.01	-	-	-	0.01	-
Total	**-**	**-**	**0.02**	**-**	**-**	**-**	**0.02**	**-**
Reimbursement of Expenses								
Essar Power Limited	-	-	0.04	-	-	-	0.04	-
Total	**-**	**-**	**0.04**	**-**	**-**	**-**	**0.04**	**-**
Provision for Impairment								
OGD Services Limited	-	-	50.83	-	-	-	50.83	-
Essar Projects (India) Limited	-	-	-	0.04	-	-	-	0.04
Essar Energy Holdings Limited	-	-	-	0.31	-	-	-	0.31
Arkay Logistics Limited	-	-	-	0.06	-	-	-	0.06
Total	**-**	**-**	**50.83**	**0.41**	**-**	**-**	**50.83**	**0.41**
"Reversal of Impairment Provision"								
Essar Capital Holdings Limited	-	-	-	28.27	-	-	-	28.27
Essar Minmet Limited	-	-	-	1.90	-	-	-	1.90
Total	**-**	**-**	**-**	**30.17**	**-**	**-**	**-**	**30.17**
Contribution to staff provident fund								
Essar Shipping Staff Provident Fund Trust	-	-	0.51	0.40	-	-	0.51	0.40
Total	**-**	**-**	**0.51**	**0.40**	**-**	**-**	**0.51**	**0.40**

Loans and advances given/ repaid								
Essar Steel Metal Trading Limited	-	-	33.95	8.00	-	-	33.95	8.00
Arkay Logistics Limited	-	-	6.00	-	-	-	6.00	-
IDH International Drilling Holdco Limited (FCCBs repaid)	534.18	1,003.45	-	-	-	-	534.18	1,003.45
Essar Investment Holdings Mauritius Limited	-	-	-	107.99	-	-	-	107.99
Edwell Infrastructure Hazira Limited	-	-	-	50.12	-	-	-	50.12
Total	**534.18**	**1,003.45**	**39.95**	**166.10**	**-**	**-**	**574.13**	**1,169.54**
Loans and advances taken/ received back								
Equinox Reality Holdings Limited	-	-	27.75	-	-	-	27.75	-
Essar Steel Metal Trading Limited	-	-	-	300.63	-	-	-	300.63
Essar Shipping (Cyprus) Limited	-	-	-	0.33	-	-	-	0.33
Essar Investment Holding Mauritius Ltd	-	-	0.29	-	-	-	0.29	-
Total	**-**	**-**	**28.04**	**300.96**	**-**	**-**	**28.04**	**300.96**
Related party bad debts written off								
Essar Energy Holding Limited	-	-	9.44	-	-	-	9.44	-
IDH International Drilling Holdco Limited	-	-	7.21	-	-	-	7.21	-
Total	-	-	**16.65**	**-**	-	-	**16.65**	**-**
Issue of Non-Convertible Debentures								
Essar Steel Metal Trading Limited	-	-	250.00	320.00	-	-	250.00	320.00
Total	-	-	**250.00**	**320.00**	-	-	**250.00**	**320.00**

g) **Outstanding balances with related parties** **₹ in crore**

Nature of transactions	**Holding Companies / Promoter group companies**		**Fellow subsidiaries/ Trust/ associates**		**Managerial remuneration / Sitting fees**		**Total**	
	As at 31 March, 2025	**As at 31 March, 2024**	**As at 31 March, 2025**	**As at 31 March, 2024**	**As at 31 March, 2025**	**As at 31 March, 2024**	**As at 31 March, 2025**	**As at 31 March, 2024**
Trade receivables								
Essar Investment Holdings Mauritius Limited	-	-	14.94	5.66	-	-	14.94	5.66
Raichel Mathew	-	-	-	-	-	0.01	-	0.01
Total	**-**	**-**	**14.94**	**5.66**	**-**	**0.01**	**14.94**	**5.67**
Loans and advances (including interest accrued)								
Essar Global Fund Limited	0.02	-	-	-	-	-	0.02	-
Essar Capital Holdings Limited	-	-	-	464.12	-	-	-	464.12
Essar Capital (Mauritius) Limited	-	-	0.02	-	-	-	0.02	-
Essar Projects Limited	-	-	-	0.54	-	-	-	0.54
Essar Energy Holding Limited	-	-	-	9.31	-	-	-	9.31
Essar Minmet Limited	-	-	-	1.91	-	-	-	1.91
Total	**0.02**	**-**	**0.02**	**475.88**	**-**	**-**	**0.04**	**475.88**

Trade payables								
Essar Shipping (Cyprus) Limited	-	-	0.04	0.33	-	-	0.04	0.33
Essar Constructions India Limited	-	-	0.30	-	-	-	0.30	-
Essar Power Limited	-	-	0.04	-	-	-	0.04	-
Raichel Mathew	-	-	-	-	0.01	-	0.01	-
Futura Travels Limited	-	-	0.20	-	-	-	0.20	-
Essar Shipping Staff Provident Fund Trust	-	-	-	0.01	-	-	-	0.01
Total	**-**	**-**	**0.58**	**0.34**	**0.01**	**-**	**0.59**	**0.34**
Loans and advances payable								
Essar Steel Metal Trading Limited	-	-	-	292.20	-	-	-	292.20
IDH International Drilling Holdco Limited	-	534.18	-	-	-	-	-	534.18
Energy II Limited	-	-	117.59	-	-	-	117.59	-
Equinox Realty Holdings Limited	-	-	-	-	27.45	-	27.45	-
Arkay Logistics Limited	-	-	29.77	6.00	-	-	29.77	6.00
Essar Investment Holdings Mauritius Limited	-	-	236.61	228.61	-	-	236.61	228.61
Total	**-**	**534.18**	**383.97**	**526.81**	**27.45**	**-**	**411.42**	**1,060.98**

28 Going concern -

As on 31 March 2025, the net worth of the Group is eroded as it is incurring operating losses since last several years. The Group has accumulated losses of ₹5,506.39 crore as against share capital and reserves of ₹ 3,126.76 crore and the Group's current liabilities exceeds its current assets.The Holding Company has given Tug on Bare-boat charter basis and earned operating income from the same. Further, the Holding Company is also providing Management service to its Subsidiary Company and another group company during the year. Also the Group is taking steps to rectify the mismatch between current assets and liabilities during the year. In view of these, the Financials have been prepared on a Going Concern basis.

29 Additional Information as required under Schedule III of the Companies Act, 2013

	Net Assets (Total Assets less Total Liabilities)		Share in Profit & Loss		Share in Total Comprehensive Income	
Name of the entity in the group	**As a % of Consolidated Net Assets**	**Amount (₹ in crore)**	**As a % of Consolidated Profit / (Loss)**	**Amount (₹ in crore)**	**As a % of Consolidated Comprehensive Income**	**Amount (₹ in crore)**
Parent						
Essar Shipping Limited	49.47%	(1,177.09)	-0.21%	(1.38)	-0.24%	(1.55)
Subsidiaries (Indian)						
OGD Services Limited [refer note(i) below]	-	-	-	-	-	-
DrillXplore Services India Limited	0.01%	(0.17)	0.00%	(0.02)	0.00%	(0.02)
Subsidiaries (Foreign)						
OGD Services Holdings Limited	20.97%	(499.04)	117.50%	755.42	117.53%	755.42
Gargnano, S.A. de C.V. Mexico	0.16%	(3.82)	-1.13%	(7.28)	-1.13%	(7.28)
Essar Shipping DMCC	18.12%	(431.26)	-6.15%	(39.51)	-6.15%	(39.51)
Associates (Indian)						
Seros Oilfield Services India Limited [refer note(ii) below]	-	-	-	-	-	-
Joint Venture (Indian)						
Seros Drilling Private Limited [refer note(ii) below]	-	-	-	-	-	-

Note (i) The step-down subsidiary is under liquidation and hence the subsidiary is not considered for consolidation purpose for FY 2024-25.

(ii) The step-down subsidiary is under liquidation and hence the share of profit/ (loss) of associate of the step-down subsidiary and an entities jointly controlled with the step-down subsidiary is not considered for consolidation purpose for FY 2024-25.

30 Other Statutory Disclosure

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

31 The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

32 The Company is not declared a wilful defaulter by any bank or financial institution or other lenders.

33 The Company has no borrowings from banks or financial institutions on the basis of security of current assets.

34 The Company does not have any transaction that are not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

35 There are no proceedings initiated or pending for holding any benami property under the Benami Transaction (Prohitition) Act, 1988.

36 There is no Investment Property held by Company.

37 The Company has neither traded in nor holds Crypto Currency or Virtual Curency during the year.

38 During the current year, the company has not made any Loans or advances in the nature of Loans are granted to Promoters, Directors, KMPs and the related parties (as define under Companies Act, 2013) either severally or jointly with any other person, that are: (a) repayable on demand: or (b) without specifying any term or period of repayment.

39 The Company does not have any transaction with companies struck off under section 248 of the Company Act 2013, or section 560 of Companies Act, 1956.

40 During the Year, Company has not taken any term loan from any bank of financial Institutions.

41 Comparative Ratio Analysis

Sr No	Ratio	Numerator	Denominator	March 2025	March 2024	% Variances	Reason for Variance (if +/- 25%)
i	Current Ratio	Current Asset	Current Liability	0.07	0.30	(77.09)	During the year the Company has monetised the current assets and sale proceeds of the same has been utilised to settled the loan, resulting in decrease in both current assets and current liabilities.
ii	Debt to Equity Ratio	Total Long Term Debt	Share Holders Equity	(0.73)	(1.05)	(30.44)	During the year, investment in shares of a foreign subsidiary is sold on profit and borrowings are repaid, resulting in increase in Net profit and decrease in debt.
iii	Debt Service Coverage Ratio	EBITDA	Interest + Installment	0.17	(0.06)	(379.98)	During the year the Company has monetised the current assets and sale proceeds of the same has been utilised to settled the loan
iv	Return on Equity	Net Income	Share Holders Equity	(0.26)	0.04	(754.60)	Net Income has increased due to increase in Revenue, Profit on sale of investment and Exceptional income due to Gain on OTS.
v	Inventory Turn Over Ratio	Cost of goods sold or Sales	Avg Inventory	N.A.	N.A.	N.A.	Not Applicable because the Company is in service industry

vi	Trade Receivable Turnover Ratio	Credit Sale	Avg Account Receivable	0.61	1.27	(52.27)	The Receivables from debtors increased due to increase in credit sales during the financial year
vii	Trade Payable Turnover Ratio	Total Purchase	Avg Account Payable	N.A.	N.A.	N.A.	Not Applicable because the Company is in service industry
viii	Working Capital Turnover Ratio	Net Annual Sale	Working Capital	(0.01)	(0.01)	(31.59)	Current liabilities got reduced due to repayment of loans
ix	Net Profit Ratio	Net Revenue	Revenue	63.97	(5.20)	(1,331.07)	Net Income has increased due to increase in Revenue, Profit on sale of investment and Exceptional income due to Gain on OTS.
x	Return on Capital Employed	EBIT	Capital Employed	(0.29)	(0.68)	(56.52)	During the year, Earning before interest and tax due to increase in Revenue and Profit on sale of investment and capital employed decrease due to repayment of loan

42 The previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date

For and on behalf of the Board

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. : 101961 W/W - 100036

Rajesh Desai
Director
(DIN: 08848625)

R Suresh
Director
(DIN: 09299459)

Diwakar Sapre
Partner
Membership No. 040740

Vipin Jain
Chief Financial Officer

Bharat Modi
Company Secretary
Membership No. A67152

Place: Mumbai
Date: 29 May 2025

Place: Mumbai
Date: 29 May 2025

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If undelivered please return to:

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Unit: Essar Shipping Limited
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Nungambakkam, Chennai- 600 006
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