

ESSAR OIL LIMITED

Regd Office : Khambhalia Post, Post Box No. 24, Dist. Jamnagar - 361 305, Gujarat
Audited Financial Results for the Year ended 31st March, 2006

(Rs. in Crores)

Sr.No.	Particulars	For the 9 months Ended	For the Quarter Ended	For the Quarter Ended	For the year Ended	Previous financial year i.e. 15 Months Ended
		31.12.2005 (Unaudited)	31.03.2006 (Unaudited)	31.03.2005 (Unaudited)	31.03.2006 (Audited)	31.03.2005 (Audited)
1.	Net Sales / Income from operations	555.14	81.64	355.03	636.78	1,045.12
2.	Other Income	61.46	0.98	1.76	62.44	101.46
3.	Total Expenditure					
	a) (Increase)/ Decrease in Stock in trade	39.49	58.30	(79.99)	97.79	(118.78)
	b) Purchases of Trading Goods	534.32	21.04	407.86	555.36	1,103.95
	c) Staff Costs	14.49	4.01	4.14	18.50	14.72
	d) Bad Debts written off / Provision for doubtful debts	-	0.90	-	0.90	62.91
	e) Selling & Distribution Expenses	52.54	21.08	5.69	73.62	18.93
	f) Other Expenditure	13.31	5.99	8.93	19.30	27.26
4.	Interest and Finance Charges	13.42	7.72	6.88	21.14	17.01
5.	Depreciation	3.77	0.89	1.27	4.66	6.22
6.	Profit / (Loss) before tax (1+2-3-4-5)	(54.74)	(37.31)	2.01	(92.05)	14.36
7.	Taxes	1.10	0.53	0.74	1.63	4.50
8.	Net Profit / (Loss) (6-7)	(55.84)	(37.84)	1.27	(93.68)	9.86
9.	Paid up Equity Share Capital (Face Value : Rs. 10/- per Share)	1,083.58	1,083.58	939.30	1,083.58	939.30
10.	Reserves (excluding Revaluation Reserves) of previous accounting year					1,448.92
11.	Earning / (Loss) Per Share (In Rupees) (not annualised)					
	Basic	(0.52)	(0.35)	0.01	(0.89)	0.28
	Diluted	(0.52)	(0.35)	0.01	(0.89)	0.23
12.	Aggregate of non-promoters shareholding:					
	Number of Shares	865,596,240	865,596,240	720,659,476	865,596,240	720,659,476
	Percentage of shareholding	79.88%	79.88%	76.72%	79.88%	76.72%

Segment wise Revenue, Results & Capital Employed

(Rs. in Crores)

Sr.No.	Particulars	For the 9 months Ended	For the Quarter Ended	For the Quarter Ended	For the year Ended	Previous financial year i.e. 15 Months Ended
		31.12.2005 (Unaudited)	31.03.2006 (Unaudited)	31.03.2005 (Unaudited)	31.03.2006 (Audited)	31.03.2005 (Audited)
1.	Segment Revenue					
	Marketing of Petroleum Products	556.73	82.01	355.74	638.74	1,046.47
	Others / Unallocated	0.01	1.00	0.34	1.01	1.99
	Total	556.74	83.01	356.08	639.75	1,048.46
2.	Segment Results Profit / (Loss)					
	Marketing of Petroleum Products	(108.84)	(29.58)	5.67	(138.42)	(10.19)
	Exploration & Production activities	-	(0.20)	-	(0.20)	-
	Others / Unallocated	1.49	(4.91)	(4.32)	(3.52)	(10.40)
	Total	(107.35)	(34.69)	1.35	(142.04)	(20.59)
	Less: Interest Expense	7.26	1.33	0.05	8.59	0.26
	Less: Bad Debts written off / Provision for doubtful debts	-	0.90	-	0.90	62.91
	Add : Interest Income	17.40	(2.16)	0.71	15.24	8.13
	Add : Profit on sale of investment	22.70	-	-	22.70	-
	Add : Write back of old liabilities	6.86	1.77	-	8.63	-
	Add : Duty Free Credit Entitlement	12.64	-	-	12.64	16.98
	Add : Arbitration award income including interest	0.27	-	-	0.27	73.01
	Total Profit / (Loss) Before Tax	(54.74)	(37.31)	2.01	(92.05)	14.36
3.	<u>Capital Employed (Segment Assets-Segment Liabilities)</u>				As at 31.03.2006 (Audited)	As at 31.03.2005 (Audited)
	Refinery (Under Construction)				8,322.25	7,163.05
	Marketing of Petroleum Products				(1.32)	51.67
	Exploration & Production activities				75.24	62.23
	Others / Unallocated				152.05	201.67
					8,548.22	7,478.62
4.	<u>Consolidated Capital Employed (Segment Assets-Segment Liabilities)</u>				As at 31.03.2006 (Audited)	As at 31.03.2005 (Audited)
	Refinery including Power Plant (Under Construction)				8,607.46	7,163.03
	Marketing of Petroleum Products				(1.32)	51.67
	Exploration & Production activities				75.24	62.23
	Others / Unallocated				158.83	201.67
					8,840.21	7,478.60

NOTES :

- Progress of Refinery Project : During the quarter, construction activities at the Refinery Project Site maintained their momentum in order to achieve project commissioning in phases ahead of schedule.
- Selling and Distribution expenses include the extraordinary amount of Rs. 13.07 crores and Rs. 35.37 crores for the quarter and year ended March 31, 2006 respectively for creating, developing and retaining the marketing infrastructure till commissioning of the Refinery.
- The Scheme of arrangement and compromise with the Scheme lenders which includes debenture holders holding more than 2000 fully paid 14% Non Convertible Debentures has been approved by the Hon'ble High Court of Gujarat with some modifications on 31st March, 2006. The said modified scheme is under implementation as per the order of the Hon'ble High Court.
- Taxes include current income tax, deferred tax and fringe benefit tax.
- Since the subsidiary viz. Vadinar Power Company Limited is yet to start operations, the consolidated and the Company financial results are the same .
- Previous periods' figures have been regrouped/rearranged, wherever considered necessary.
- Investor complaints: Pending as on 1st January, 2006 - 183, received during the quarter - 1874, disposed-off - 1699, balance as on 31st March, 2006 - 358 (since resolved).
- The above financial results prepared to comply with the requirement of clause 41 of the Listing Agreements with the Stock Exchanges, were taken on record by the Board of Directors of the Company at its meeting held on 30th June, 2006 at Mumbai.

By Order of the Board
For Essar Oil Limited

Place : Mumbai
Date : 30th June, 2006

A. N. Sinha
Managing Director & CEO