

**ESSAR OIL LIMITED**



Regd Office : Khambhalia Post, Post Box No. 24, Dist. Jamnagar - 361 305, Gujarat  
**Unaudited Financial Results (Provisional) for the Quarter ended 30th June, 2005**

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended on		15 Months ended on
		30.06.2005 (Unaudited)	30.06.2004 (Unaudited)	31.03.2005 (Unaudited)
1	Net Sales / Income from operations	312.46	139.55	1,045.87
2	Other Income / (Loss)	9.86	7.42	99.99
3	Total Expenditure			
	a) (Increase)/ Decrease in Stock in trade	9.41	(15.16)	(117.92)
	b) Purchases of Trading Goods	322.10	146.37	1,104.73
	c) Staff Costs	5.00	2.24	15.15
	d) Bad Debts and Provision for Doubtful Debts	-	-	62.91
	e) Other Expenditure	12.24	10.95	50.11
4	Interest and Finance Charges	7.28	0.17	14.93
5	Depreciation	1.28	1.38	6.10
6	<b>Profit / (Loss) before tax (1+2-3-4-5)</b>	<b>(34.99)</b>	1.02	9.85
7	Provision for Taxation	0.27	0.36	(3.20)
8	<b>Net Profit / (Loss) (6-7)</b>	<b>(35.26)</b>	0.66	13.05
9	Paid up Equity Share Capital (Face Value : Rs. 10/- per Share)	1,083.58	355.15	939.30
10	Reserves (excluding Revaluation Reserves) of previous accounting year			1,480.45
11	EPS (In Rupees) (not annualised) - Basic & Diluted	<b>(0.37)</b>	0.02	0.37
12	Aggregate of non-promoters shareholding: Number of Shares Percentage of shareholding	<b>864,938,476</b> <b>79.82%</b>	136,505,876 38.44%	720,659,476 76.72%

**Segment wise Revenue, Results & Capital Employed :**

Sr. No.	Particulars	Quarter Ended on		15 Months ended on
		30.06.2005 (Unaudited)	30.06.2004 (Unaudited)	31.03.2005 (Unaudited)
1	<b>Segment Revenue</b>			
	Marketing of Petroleum Products	312.59	139.67	1,046.79
	Offshore Operations	0.04	5.17	0.19
	Others / Unallocated	3.58	0.47	1.69
	<b>Total</b>	<b>316.21</b>	145.31	1,048.67
2	<b>Segment Results (Profit / (Loss) Before Tax and Interest)</b>			
	Marketing of Petroleum Products	(45.14)	(3.29)	(10.80)
	Offshore Operations	(0.35)	4.70	(64.75)
	Exploration & Production activities	-	-	-
	Others / Unallocated	4.38	(2.05)	(11.53)
	<b>Total</b>	<b>(41.11)</b>	(0.64)	(87.08)
	Less: Interest Expense	-	-	0.26
	Add : Interest Income	6.12	1.66	7.20
	Add : Duty Free Credit Entitlement	-	-	16.98
	Add : Arbitration award income including interest	-	-	73.01
	<b>Total Profit / (Loss) Before Tax</b>	<b>(34.99)</b>	1.02	9.85
3	<b>Capital Employed as on 30th June, 2005 (Segment Assets-Segment Liabilities)</b>			
	Refinery (Under Construction)	9,928.56	5,689.80	9,516.37
	Marketing of Petroleum Products	34.34	60.00	55.72
	Exploration & Production activities	61.14	27.61	62.15
	Offshore Operations	(9.44)	55.91	(9.45)
	Others / Unallocated	166.35	96.68	239.92
	<b>Total</b>	<b>10,180.95</b>	5,930.00	9,864.71

**NOTES :**

- Progress of Refinery Project : During the quarter, construction activities at the Refinery Project Site picked up further momentum in order to achieve full project commissioning as per the agreed schedule of April, 2007.  
During the quarter, the company issued Foreign Currency Convertible Bonds ( FCCB ) on 15th April, 2005 following the exercising of the green shoe option amounting to USD 41 million which have since been converted into Global Depository Shares ( representing 144,279,000 equity shares ) pursuant to the conversion option exercised by the bond holders. The proceeds out of the FCCB issue ( USD 166 million + USD 41 million ) have been almost fully utilised for the project, with the balance Rs. 69 crores as on 30th June, 2005 remaining to be utilised for the project.
- The company is in the process of establishing a comprehensive marketing network throughout the country for the Refinery production and in the interim, sources petroleum products both indigenously and by imports. The current pricing policy of the government for the oil industry unfortunately, has not permitted the company to sell its products at remunerative prices resulting in a loss in the current quarter.
- A court convened meeting of scheme lenders, comprising of the Rupee term loan lenders and the holders of more than 2000 fully paid 14% Non Convertible Debentures was called for considering a scheme of arrangement and compromise to be held on 28th July, 2005. The meeting has been rescheduled to be held on 2nd August, 2005.
- Provision for Taxation includes current income tax, deferred tax and fringe benefit tax.
- Previous periods' figures have been regrouped/rearranged, wherever considered necessary.
- Investor complaints: Pending as on 1<sup>st</sup> April, 2005 - 73, received during the quarter - 1708, disposed-off - 1658, balance as on 30<sup>th</sup> June, 2005 - 123.
- The above results were taken on record by the Board of Directors of the Company at its meeting held on 30<sup>th</sup> July, 2005 at Mumbai.

**By Order of the Board  
For Essar Oil Limited**

**A. N. Sinha  
Managing Director & CEO**

**Place : Mumbai  
Date : 30<sup>th</sup> July, 2005**