

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 September, 2005

(Rs. in Crores)

Sr N	Particulars	Quarter ended on		Half year ended on		15 Months ended on
		30.09.2005 (Unaudited)	30.09.2004 (Unaudited)	30.09.2005 (Unaudited)	30.09.2004 (Unaudited)	31.03.2005 (Audited)
1	Net Sales / Income from operations	166.00	197.58	478.46	336.98	1,045.12
2	Other Income / (Loss)	34.75	66.51	44.61	71.93	101.46
3	Total Expenditure					
	a) (Increase)/ Decrease in Stock in trade	32.32	(1.06)	41.73	(16.22)	(118.78)
	b) Purchases of Trading Goods	137.24	182.48	454.04	329.95	1,103.95
	c) Staff Costs	4.61	3.54	9.61	5.78	14.72
	d) Bad Debts written off	-	62.72	-	62.72	62.91
	e) Other Expenditure	20.53	11.80	38.06	19.50	46.19
4	Interest and Finance Charges	3.15	3.05	10.43	3.23	17.01
5	Depreciation	1.35	1.18	2.64	2.57	6.22
6	Profit / (Loss) before tax (1+2-3-4-5)	1.55	0.38	(33.44)	1.38	14.36
7	Provision for Taxation	0.30	0.13	0.57	0.49	4.50
8	Net Profit / (Loss) (6-7)	1.25	0.25	(34.01)	0.89	9.86
9	Paid up Equity Share Capital (Face Value : Rs. 10/- per Share)	1,083.58	355.15	1,083.58	355.15	939.30
##	Reserves (excluding Revaluation Reserves) of previous accounting year					1,448.92
##	EPS (In Rupees) (not annualised)					
	- Basic	0.01	0.01	(0.33)	0.03	0.28
	- Diluted	0.01	Less than 0.01	(0.33)	0.03	0.23
##	Aggregate of non-promoters shareholding:					
	Number of Shares	865,596,240	136,505,276	865,596,240	136,505,276	720,659,476
	Percentage of shareholding	79.88%	38.44%	79.88%	38.44%	76.72%

Segment wise Revenue, Results & Capital Employed :

Sr N	Particulars	Quarter Ended on		Half year ended on		15 Months ended on
		30.09.2005 (Unaudited)	30.09.2004 (Unaudited)	30.09.2005 (Unaudited)	30.09.2004 (Unaudited)	31.03.2005 (Audited)
1	Segment Revenue					
	Marketing of Petroleum Products	167.10	197.82	479.69	335.14	1,047.47
	Others / Unallocated	0.30	0.38	(2.66)	6.12	1.99
	Total	167.40	198.20	477.03	341.26	1,049.46
2	Segment Results (Profit / (Loss) Before Tax and Interest)					
	Marketing of Petroleum Products	(29.08)	0.62	(73.72)	(2.77)	(10.19)
	Others / Unallocated	(2.44)	(3.34)	(4.98)	(0.71)	(10.40)
	Total	(31.52)	(2.72)	(78.70)	(3.48)	(20.59)
	Less: Interest Expense	0.28	0.07	0.78	0.07	0.26
	Less: Bad Debts written off	-	62.72	-	62.72	62.91
	Add : Interest Income	7.13	1.39	16.80	3.15	8.13
	Add : Profit on sale of unquoted investment	22.70	-	22.70	-	-
	Add : Write back of old liabilities considered not payable by the	3.25	-	6.54	-	-
	Add : Duty Free Credit Entitlement	-	-	-	-	16.98
	Add : Arbitration award income including interest	0.27	64.50	-	64.50	73.01
	Total Profit / (Loss) Before Tax	1.55	0.38	(33.44)	1.38	14.36
3	Capital Employed as on 30th Sep, 2005 (Segment Assets-Segment Liabilities)					
	Refinery (Under Construction)			7,550.25	5,682.68	7,163.05
	Marketing of Petroleum Products			24.67	62.12	51.67
	Exploration & Production activities			63.72	25.75	62.23
	Others / Unallocated			94.68	163.51	201.67
	Total			7,733.32	5,934.06	7,478.62

NOTES :

- Progress of Refinery Project : During the quarter, construction activities at the Refinery Project Site continued to pick up momentum in order to achieve full project commissioning as per the accelerated schedule of January, 2007.
- 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.
- The court convened meeting of Scheme Lenders comprising of Rupee Term Lenders and holders of more than 2000 fully paid 14% Non Convertible Debentures for considering Scheme of Arrangement and Compromise ("the Scheme") was held on 9th August, 2005. The Scheme was approved at the meeting with requisite majority with modifications. Company filed a Petition with the High Court of Gujarat seeking its sanction to the approved Scheme. The court at its hearing held on 12th August, 2005 admitted the Petition and has kept the Petition for final hearing and disposal.
- Other income during the current quarter ended on 30th September 2005 includes profit of Rs. 22.70 crores on sale of unquoted share investment.
- In line with Accounting Standard 28 issued by The Institute of Chartered Accountants of India on "Impairment of Assets", provision for impairment loss, if any, under the standard will be assessed on the Balance Sheet date and provided at the end of the financial year.
- 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 1st July, 2005 - 123, received during the quarter - 2118, disposed-off - 2082, balance as on 30th September, 2005 - 150
- The above results were taken on record by the Board of Directors of the Company at its meeting held on 29th October, 2005 at Mumbai.

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

Place : Mumbai
Date : 29th October, 2005

H. L. Mundra
Dy. Managing Director & Director (Finance)