

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, 2006

(Rs. in Crores)

Sr. No.	Particulars	Quarter ended on		Half year ended on		12 Months ended on
		30.09.2006 (Unaudited)	30.09.2005 (Unaudited)	30.09.2006 (Unaudited)	30.09.2005 (Unaudited)	31.03.2006 (Audited)
1	Net Sales / Income from operations	27.43	166.00	67.69	478.46	636.63
2	Other Income / (Loss)	2.59	34.75	3.99	44.61	62.59
3	Total Expenditure					
	a) (Increase)/ Decrease in Stock of trading goods	19.60	32.32	22.57	41.73	97.79
	b) Purchases of Trading Goods	8.53	142.51	46.59	464.61	569.05
	c) Staff Costs	5.72	4.61	11.43	9.61	18.50
	d) Selling and distribution expenses	17.81	9.00	33.47	17.76	59.93
	e) Other Expenditure	4.98	6.26	7.35	9.73	20.20
4	Interest and Finance Charges	1.78	3.15	4.04	10.43	21.14
5	Depreciation / Amortisation	1.14	1.35	2.28	2.64	4.66
6	Profit / (Loss) before tax (1+2-3-4-5)	(29.54)	1.55	(56.05)	(33.44)	(92.05)
7	Provision for Taxation					
	a) Income Tax	-	-	0.39	-	0.83
	b) Fringe Benefit Tax	0.16	0.30	0.25	0.57	0.80
8	Net Profit / (Loss) (6-7)	(29.70)	1.25	(56.69)	(34.01)	(93.68)
9	Paid up Equity Share Capital (Face Value : Rs. 10/- per Share)	1,083.58	1,083.58	1,083.58	1,083.58	1,083.58
10	Reserves (excluding Revaluation Reserves) of previous accounting year					1,420.55
11	EPS (In Rupees) (not annualised) *					
	- Basic	*(0.27)	*0.01	*(0.52)	*(0.33)	(0.89)
	- Diluted	*(0.27)	*0.01	*(0.52)	*(0.33)	(0.89)
12	Aggregate of Public shareholding:					
	Number of Shares	137,163,240	137,163,240	137,163,240	137,163,240	137,163,240
	Percentage of shareholding	12.66%	12.66%	12.66%	12.66%	12.66%

Segment wise Revenue, Results & Capital Employed :

Sr. No.	Particulars	Quarter Ended on		Half year ended on		12 Months ended on
		30.09.2006 (Unaudited)	30.09.2005 (Unaudited)	30.09.2006 (Unaudited)	30.09.2005 (Unaudited)	31.03.2006 (Audited)
1	Segment Revenue					
	Marketing of Petroleum Products	28.85	167.83	69.33	481.03	641.81
	Others / Unallocated	0.19	0.57	0.38	1.01	1.27
	Total Segment revenue	29.04	168.40	69.71	482.04	643.08
	Less : Inter-segment sales	0.04	0.73	0.18	1.34	3.07
	Total	29.00	167.67	69.53	480.70	640.01
2	Segment Results - Profit / (Loss) before Income Tax and Interest					
	Marketing of Petroleum Products	(26.00)	(29.18)	(51.81)	(73.95)	(139.16)
	Exploration & Production activities	(0.84)	-	(0.84)	-	(0.20)
	Others / Unallocated	(3.39)	(2.37)	(4.86)	(1.64)	(4.10)
	Total	(30.23)	(31.55)	(57.51)	(75.59)	(143.46)
	Less: Interest Expense	0.49	0.28	0.94	0.78	8.60
	Add : Interest Income	1.02	7.13	2.15	13.12	15.24
	Add : Profit on sale of unquoted investment	-	22.70	-	22.70	22.70
	Add : Write back of old liabilities considered not payable by the management	-	3.25	-	6.54	8.63
	Add : Duty Free Credit Entitlement	-	-	-	-	12.64
	Total Profit / (Loss) before Income Tax	(29.70)	1.25	(56.30)	(34.01)	(92.85)
3	Capital Employed (Segment Assets-Segment Liabilities)					
	Refinery (Under Construction)			9,929.33	7,550.25	8,322.25
	Marketing of Petroleum Products			(9.89)	24.67	(1.32)
	Exploration & Production activities			86.05	63.72	75.24
	Others / Unallocated			133.28	94.68	152.05
	Total			10,138.77	7,733.32	8,548.22

NOTES :

- 1 During the quarter, construction activities at the Refinery Project site continued to maintain their momentum. The pre-commissioning activities for Phase I of the project have already started and as part of this exercise two consignments of crude oil have already arrived at the site.
- 2 The Company has received an advance of Rs. 119.16 crores up to 30th September, 2006 towards allotment of Global Depository Shares which are yet to be issued.
- 3 During the quarter, the Company continued to expand its marketing network incurring significant costs in preparation of commissioning of its Refinery project. Rs. 11.63 crores and Rs 21.38 crores respectively, included in selling and distribution expenses, were further incurred during the quarter and half year ended on 30th September, 2006 (Corresponding previous year quarter - Rs. 2.65 crores, corresponding previous half year Rs 5.73 crores and Previous accounting year - Rs. 35.37 crores) for retaining the existing marketing infrastructure.
- 4 In pursuance of a court order, the Company is accounting for the interest accrued/funded on certain debentures payable at a future date on cash basis and therefore the same has not formed part of the Capital employed of the Refinery (under construction).
- 5 Income tax includes current and deferred tax.
- 6 Previous periods' figures have been regrouped/rearranged, wherever considered necessary.
- 7 The disclosure requirement regarding the Non-Promoters' shareholding including their percentage has been amended in the listing agreement to disclose the number of shares held by the Public including their percentage. Accordingly, the figures and percentage relating to the corresponding previous quarter, half year and year end have been modified.
- 8 Investor complaints: Pending as on 1st July, 2006 - 261, received during the quarter - 1118, disposed-off - 1300, balance as on 30th September, 2006 - 79.
- 9 The above results were approved by the Board of Directors of the Company at its meeting held on 30th October, 2006 at Mumbai. The results are subject to limited review by the statutory auditors.

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

**Place : Mumbai
Date : 30th October, 2006**

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