

ESSAR OIL LIMITED

Regd Office : Khambhalia Post, Post Box No. 24, Dist. Jamnagar - 361 305, Gujarat
Unaudited Financial Results (Provisional) for the Quarter ended 31st December, 2005

(Rs. in Crores)

Sr.No	Particulars	Quarter ended on		Nine Months ended on		15 Months ended on 31.03.2005 (Audited)
		31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	
1.	Net Sales / Income from operations	76.69	278.30	555.14	615.28	1,045.12
2.	Other Income / (Loss)	16.85	18.63	61.46	91.47	101.46
3.	Total Expenditure					
	a) (Increase)/ Decrease in Stock in trade	(2.24)	(3.77)	39.49	(19.98)	(118.78)
	b) Purchases of Trading Goods	80.27	276.85	533.09	606.02	1,103.95
	c) Staff Costs	4.88	3.70	14.49	9.48	14.72
	d) Bad Debts Written Off	-	0.40	-	62.91	62.91
	e) Selling & Distribution Expenses	24.21	4.63	52.54	12.14	18.93
	f) Other Expenditure	3.59	3.83	14.55	17.72	27.26
4.	Interest and Finance Charges	2.99	4.05	13.42	7.28	17.01
5.	Depreciation	1.14	1.29	3.77	3.85	6.22
6.	Profit / (Loss) before tax (1+2-3-4-5)	(21.30)	5.95	(54.75)	7.33	14.36
7.	Taxes	0.53	(4.58)	1.10	(4.09)	4.50
8.	Net Profit / (Loss) (6-7)	(21.83)	10.53	(55.85)	11.42	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
10.	Reserves (excluding Revaluation Reserves) of previous accounting year	-	-	-	-	1,448.92
11.	EPS (In Rupees) (not annualised)					
	- Basic	(0.20)	0.30	(0.52)	0.32	0.28
	- Diluted	(0.20)	Less than 0.01	(0.52)	Less than 0.01	0.23
12.	Aggregate of non-promoters shareholding:					
	Number of Shares	865,596,240	136,505,276	865,596,240	136,505,276	#####
	Percentage of shareholding	79.88%	38.44%	79.88%	38.44%	76.72%

Segment wise Revenue, Results & Capital Employed

(Rs. in Crores)

Sr.No	Particulars	Quarter Ended on		Nine Months ended on		15 Months ended on 31.03.2005 (Audited)
		31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	
1.	Segment Revenue					
	Marketing of Petroleum Products	77.04	278.26	556.73	614.30	1,047.47
	Others / Unallocated	0.31	0.37	0.92	6.49	1.99
	Total	77.35	278.63	557.65	620.79	1,049.46
2.	Segment Results Profit / (Loss)					
	Marketing of Petroleum Products	(35.40)	(9.83)	(108.84)	(12.60)	(10.19)
	Exploration & Production activities	-	-	-	-	-
	Others / Unallocated	(0.93)	(2.40)	(2.64)	(65.82)	(10.40)
	Total	(36.33)	(12.23)	(111.48)	(78.42)	(20.59)
	Less: Interest Expense	1.16	0.13	2.22	0.21	0.26
	Less: Bad Debts written off	-	-	-	-	62.91
	Add : Interest Income	3.55	1.33	16.66	4.48	8.13
	Add : Profit on sale of investment	-	-	22.70	-	-
	Add : Write back of old liabilities	-	-	6.68	-	-
	Add : Duty Free Credit Entitlement	12.64	16.98	12.64	16.98	16.98
	Add : Arbitration award income including interest	-	-	0.27	64.50	73.01
	Total Profit / (Loss) Before Tax	(21.30)	5.95	(54.75)	7.33	14.36
3.	Capital Employed (Segment Assets-					
				As at		
				31.12.2005 (Unaudited)	31.12.2004 (Unaudited)	31.03.2005 (Audited)
	Refinery (Under Construction)			7,907.70	5,648.80	7,163.05
	Marketing of Petroleum Products			7.72	60.60	51.67
	Exploration & Production activities			89.88	59.23	62.23
	Others / Unallocated			135.57	141.81	201.67
	Total			8,140.87	5,910.44	7,478.62

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NOTES :

1. Progress of Refinery Project : During the quarter, construction activities at the Refinery Project Site maintained their momentum in order to achieve full project commissioning ahead of schedule.
2. Selling and Distribution expenses include the extraordinary amount of Rs.16.60 crores incurred during the quarter for creating, developing and retaining the marketing infrastructure till the commissioning of the Refinery.
3. The Scheme of arrangement and compromise with the Scheme lenders which includes debenture holders holding more than 2000 fully paid 14% Non Convertible Debentures is awaiting sanction of the High Court of Gujarat.
4. In line with the 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 and provided at the end of the financial year.
5. Taxes include current income tax, deferred tax and fringe benefit tax.
6. Previous periods' figures have been regrouped/rearranged, wherever considered necessary.
7. Investor complaints: Pending as on 1st October, 2005 - 159, received during the quarter - 1921, disposed-off - 1897, balance as on 31st December, 2005 - 183 (all received in December, 2005).
8. The above results were taken on record by the Board of Directors of the Company at its meeting held on 31st January, 2006 at Mumbai and is subject to Limited Review by Statutory Auditors.

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

**Place : Mumbai
Date : 31st January, 2006**

**Hari L. Mundra
Dy. Managing Director & Director (Finance)**