

ESSAR OIL LIMITED



Regd. Office : Khambhalia Post, Post Box No. 24, Dist. Devbhumi Dwarka - 361 305, Gujarat.
Tel: +91-2833-661444 , Fax: +91-2833-662929 , Website: www.essaroil.co.in
E-mail : eolinvestors@essar.com, Corporate identity number - L11100GJ1989PLC032116

PART I

Statement of Audited financial results for the Quarter and Year ended on March 31, 2015

(₹ in Crore)

Sr. No.	Particulars	Standalone				Consolidated		
		Quarter ended on			Year ended on		Year ended on	
		31-03-2015 (Refer note 8)	31-12-2014 (Unaudited)	31-03-2014 (Refer note 8)	31-03-2015 (Audited)	31-03-2014 (Audited)	31-03-2015 (Audited)	31-03-2014 (Audited)
1	Income from operations							
	a) Net sales / income from operations (Net of excise duty & VAT)	15,563	20,238	25,211	82,983	98,353	98,353	
	b) Other operating income	46	57	63	223	249	249	
	Total income from operations (net)	15,609	20,295	25,274	83,206	98,602	98,602	
2	Expenses							
	a) Cost of raw materials consumed (See sr. no. 9 below)	11,204	15,871	22,646	70,498	88,824	88,824	
	b) Purchase of traded goods	1,147	862	343	2,922	1,276	1,276	
	c) (Increase) / Decrease in stock of finished goods, work-in-progress and stock-in-trade (See sr. no. 9 below)	1,043	1,468	(42)	1,479	148	148	
	d) Consumption of fuel	158	163	182	674	756	756	
	e) Employee benefits expenses	61	48	51	229	229	225	
	f) Selling and marketing expenses	136	135	139	564	687	687	
	g) Depreciation / Amortisation (Refer note 4)	228	58	347	757	1,355	1,355	
	h) Other expenses	549	398	422	1,762	1,629	1,629	
	Total expenses	14,526	19,003	24,088	78,885	94,900	94,900	
3	Profit / (Loss) from operations before foreign exchange loss / (gain), other income, finance cost and exceptional item (1-2)	1,083	1,292	1,186	4,321	3,702	3,702	
4	Other income	144	295	234	1,026	949	949	
5	Profit / (Loss) from ordinary activities before foreign exchange loss / (gain), finance cost and exceptional item (3+4)	1,227	1,587	1,420	5,347	4,651	4,651	
6	Finance cost	704	589	723	2,565	3,296	3,296	
7	Profit / (Loss) from ordinary activities before foreign exchange loss / (gain) and exceptional item, and after finance cost (5-6)	523	998	697	2,782	1,355	1,355	
8	Foreign exchange loss / (gain)	(349)	354	(314)	343	1,226	1,226	
9	Exceptional item (Refer note 5)	326	592	-	918	-	-	
10	Profit / (Loss) from ordinary activities before tax (7-8-9)	546	52	1,011	1,521	129	129	
11	Tax expense	-	-	3	-	3	3	
12	Net profit / (Loss) from ordinary activities after tax (10-11)	546	52	1,008	1,521	126	126	
13	Share of profit of associates	-	-	-	-	6	1	
14	Net Profit / (Loss) after taxes and share of profit of associate (12+13)	546	52	1,008	1,521	126	127	
15	Paid up equity share capital (Face value : ₹ 10/- per share)	1,450	1,450	1,450	1,450	1,450	1,450	
16	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year					965	1,002	
17	Earnings per share before and after extraordinary items (in ₹)							
	-Basic (Not Annualised)*	3.77*	0.36*	6.95*	10.50	0.90	0.91	
	- Diluted (Not Annualised)* (Refer note 6)	3.76*	0.36*	6.95*	10.48	0.87	0.88	

0 represents amount less than ₹ 1 crore



PART II							
Sr. No.	Particulars	Standalone				Consolidated	
		Quarter ended on		Year ended on		Year ended on	
		31-03-2015	31-12-2014 (Unaudited)	31-03-2014	31-03-2015 (Audited)	31-03-2014 (Audited)	31-03-2015 (Audited)
(A)	PARTICULARS OF SHAREHOLDING						
1	Public shareholding:						
	Number of shares	13,71,23,373	13,71,23,373	13,71,23,373	13,71,23,373	13,71,23,373	13,71,23,373
	Percentage of shareholding excluding shares represented by Global Depository Shares	27.53%	27.53%	27.53%	27.53%	27.53%	27.53%
	Percentage of shareholding including shares represented by Global Depository Shares	9.46%	9.46%	9.46%	9.46%	9.46%	9.46%
2	Promoters and promoter group shareholding including shares represented by Global Depository Shares						
	a) Pledged / Encumbered						
	- Number of shares	25,82,22,080	25,82,22,080	25,82,22,080	25,82,22,080	25,82,22,080	25,82,22,080
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	19.68%	19.68%	19.68%	19.68%	19.68%	19.68%
	- Percentage of shares (as a % of the total share capital of the company)	17.81%	17.81%	17.81%	17.81%	17.81%	17.81%
	b) Non-encumbered						
	- Number of shares	1,05,41,71,447	1,05,41,71,447	1,05,41,71,447	1,05,41,71,447	1,05,41,71,447	1,05,41,71,447
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	80.32%	80.32%	80.32%	80.32%	80.32%	80.32%
	- Percentage of shares (as a % of the total share capital of the company)	72.73%	72.73%	72.73%	72.73%	72.73%	72.73%

Particulars	Quarter ended on 31-03-2015
(B) INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	5
Add: Received during the Quarter	64
Less: Disposed of during the Quarter	66
Remaining unresolved at the end of the Quarter	3

Segment wise Revenue, Results & Capital Employed :

								(₹ in Crore)
Sr. No.	Particulars	Standalone				Consolidated		
		Quarter ended on		Year ended on		Year ended on		
		31-03-2015 (Refer note 8)	31-12-2014 (Unaudited)	31-03-2014 (Refer note 8)	31-03-2015 (Audited)	31-03-2014 (Audited)	31-03-2015 (Audited)	31-03-2014 (Audited)
1	Segment Revenue							
	Refining and marketing	15,661	20,339	25,324	83,426	98,823	83,426	
	Exploration and production activities	(7)	5	3	7	12	7	
	Unallocated	7	17	(3)	40	24	40	
	Total	15,661	20,361	25,324	83,473	98,859	83,473	
	Less : Inter-segment revenue	-	-	-	-	-	-	
	Total Segment revenue	15,661	20,361	25,324	83,473	98,859	83,473	
2	Segment Results Profit / (Loss) before interest and tax							
	Refining and marketing	1,200	429	1,436	3,387	2,213	3,387	
	Exploration and production activities	(11)	1	(2)	(8)	(1)	(8)	
	Unallocated	(101)	(62)	(89)	(315)	(244)	(315)	
	Total	1,088	368	1,345	3,064	1,968	3,064	
	Less: Interest expenses	634	545	518	2,302	2,531	2,302	
	Add : Interest income	90	227	181	755	681	755	
	Add : Profit on sale of Investments	1	1	2	2	9	2	
	Add : Credit balances written back	1	1	1	2	2	2	
	Total Profit / (Loss) before tax and Share of profit of associates	546	52	1,011	1,521	129	1,521	
3	Capital employed (Segment assets - Segment liabilities)							
	Refining and marketing	28,010	25,866	22,973	28,010	22,973	27,819	
	Exploration and production activities	3,590	3,464	2,979	3,590	2,979	3,590	
	Unallocated	397	400	382	397	382	683	
	Total Capital employed	31,997	29,730	26,334	31,997	26,334	32,092	



Statement of assets and liabilities		(₹ in Crore)			
		Standalone		Consolidated	
Particulars	As at	As at	As at	As at	
	31-03-2015 (Audited)	31-03-2014 (Audited)	31-03-2015 (Audited)	31-03-2014 (Audited)	
A EQUITY AND LIABILITIES					
1 Shareholders' funds					
a) Share capital	1,466	1,466	1,466	1,466	
b) Reserves and surplus	2,403	965	2,446	1,002	
Sub-total - Shareholders' funds	3,869	2,431	3,912	2,468	
2 Advance received towards Global Depository Shares	1,501	-	1,501	-	
3 Non-current liabilities					
a) Long-term borrowings	15,189	14,285	15,241	14,285	
b) Deferred tax liabilities (Net)	-	-	-	-	
c) Other long term liabilities	479	274	556	274	
d) Long-term provisions	5	5	5	5	
Sub-total - Non-current liabilities	15,673	14,564	15,802	14,564	
4 Current liabilities					
a) Short-term borrowings	10,070	6,757	10,070	6,757	
b) Trade payables	18,833	19,815	18,834	19,815	
c) Other current liabilities	7,866	8,452	7,908	8,453	
d) Short-term provisions	30	44	36	44	
Sub-total - Current liabilities	36,799	35,068	36,848	35,069	
TOTAL - EQUITY AND LIABILITIES	57,842	52,063	58,063	52,101	
B ASSETS					
1 Non-current assets					
a) Fixed assets	24,871	24,372	25,090	24,372	
b) Goodwill on consolidation	-	-	11	0	
c) Non-current investments	1,130	103	1,184	141	
d) Long-term loans and advances	3,263	984	3,090	984	
e) Other non-current assets	809	1,660	809	1,660	
Sub-total - Non-current assets	30,073	27,119	30,184	27,157	
2 Current assets					
(a) Current Investments	1,195	495	1,195	495	
(b) Inventories	5,131	9,310	5,131	9,310	
(c) Trade receivables	12,411	7,100	12,411	7,100	
(d) Cash and bank balances	2,045	3,630	2,045	3,630	
(e) Short-term loans and advances	3,052	2,811	3,187	2,811	
(f) Other current assets	3,935	1,598	3,910	1,598	
Sub-total - Current assets	27,769	24,944	27,879	24,944	
TOTAL - ASSETS	57,842	52,063	58,063	52,101	

"0" represents amount less than ₹ 1 crore



Notes to Audited financial results for the Quarter and Year ended on March 31, 2015

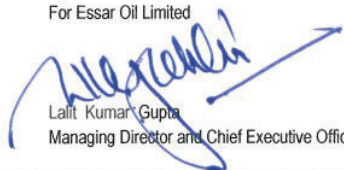
- 1 The above results have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors at their respective meetings held on May 25, 2015 at Mumbai.
- 2 On August 06, 2014, the Company's shareholders approved delisting of the Company's equity shares and accordingly the company has sought an in-principle approval from stock exchanges.
- 3 The Company achieved a throughput of 5.12 MMT (Million Metric Tonnes) and 20.49 MMT (Million Metric Tonnes) of crude during the quarter and year ended respectively. The throughput for various periods are as under:

Particulars	Quarter ended on			Year ended on	
	31-03-2015	31-12-2014	31-03-2014	31-03-2015	31-03-2014
Throughput (in MMT)	5.12	5.19	5.05	20.49	20.23

- 4 With effect from April 01, 2014, the Company has provided for depreciation on its refinery and other assets in accordance with Schedule II to the Companies Act 2013.
- 5 Exceptional item comprises of abnormal inventory losses of ₹ 326 crore and ₹ 918 crore incurred during the quarter and year ended on March 31, 2015 respectively, consequent upon the month on month steep and unprecedented fall in the global prices of crude oil.
- 6 During the quarter, the Company received ₹ 255 crore (USD 40.60 million), in addition to ₹ 1,246 crore (USD 205.50 million) received earlier, as advance towards Global Depository Shares from Essar Energy Holding Limited, a Promoter Company. The Company is in the process of completing relevant formalities for allotment of securities and has not considered the same for calculation of diluted earning per share since the number of underlying shares per GDS has not presently been determined.
- 7 The shareholders of the Company, on May 06, 2014, approved the acquisition of equity and participating preference shares of Vadinar Power Company Limited, for an amount not exceeding ₹ 2,100 crore from Essar Power Limited against which an advance payment of ₹ 1,400 crore has been made. The Company is in the process of completing relevant formalities for acquisition of these shares.
- 8 The figures of last quarters of the standalone results are the balancing figures between audited figures in respect of the full financial years and the published year to date figures upto the third quarters of the respective financial years.
- 9 The company acquired Vadinar Properties Limited, as a wholly owned subsidiary company on February 18, 2015. The company also acquired 26% stake in the share capital of Vadinar Liquid Terminals Limited on March 27, 2015.
- 10 The consolidated accounts have been prepared as per Accounting Standard (AS) 21 - Consolidated Financial Statements and Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements as prescribed under the Companies Act, 2013.
- 11 The audited / unaudited financial statements of subsidiaries and associates considered for consolidation have been prepared in accordance with International Financial Reporting Standards and Indian Generally Accepted Accounting Principles, as applicable.
- 12 Previous periods' figures have been regrouped / rearranged, wherever considered necessary.

Place : Mumbai
Date : May 25, 2015

By Order of the Board
For Essar Oil Limited


Lalit Kumar Gupta
Managing Director and Chief Executive Officer

Please register your e-mail address with the Company to receive communications including Annual Reports electronically. To register, kindly visit the Company's website at www.essaroil.co.in or write to eoinvestors@dfssl.com

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For Immediate Release

ESSAR OIL REPORTS STRONG FINANCIALS

FY15 Highlights

- Highest ever PAT at Rs 1,521 crore Vs Rs 126 crore in FY14
- Highest ever EBITDA at Rs 5,761 crore Vs Rs 4,781 crore in FY14
- Highest ever throughput at 20.49 MMT Vs 20.23 MMT in FY14
- Retail volume more than double; About 1,500 retail outlets operational, with another 1,400 under implementation
- Highest ever annual Current Price Gross Refining Margin (CP GRM) at \$8.37 /bbl Vs \$7.98/bbl in FY14
- Raniganj CBM production reached 0.62 million scmd; Essar is India's largest CBM gas producer

Mumbai, May 25, 2015: Essar Oil, India's second largest private refiner, today reported financial results for the quarter and financial year ending 31st March 2015.

Results for FY14-15

Gross revenues for the fiscal stood at Rs 92,983 crore, which was 13% lower than the Rs 1,07,190 crore reported in FY14. The dip in revenues is mainly due to lower crude oil price, which fell by about 50% during the year. Average crude oil price for FY15 was lower by over 20% as compared to FY14.

Essar Oil reported highest ever annual Current Price Gross Refining Margin (CP GRM) for the year ending Mar 31st, 2015 (FY15) at \$8.37/bbl, as compared to \$7.98/bbl in FY14, up 5%.

EBITDA during the year stood at Rs 5,761 crore, up 20% against Rs. 4,781 crore in FY14.

Profit after Tax (PAT) during the same period grew by 12 times at Rs. 1,521 crore, against Rs 126 crore in FY14.

During the year, Vadinar Refinery processed 20.49 MMT of crude, Vs 20.23 MMT in FY14, up 1.3%. This is the highest annual throughput of Essar Oil. Vadinar Refinery continues to operate at over 100% capacity utilization.

Talking on the results, **Mr. L.K. Gupta, Managing Director and CEO, Essar Oil**, said: "We are happy to close the financial year with robust figures, both operationally and financially. Going forward, we expect further improvement in our product mix in favour of still higher proportion of light and middle distillates post

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completion of Gasoil Maximisation Project, which is expected by end of October 2015. On the retail front, we are witnessing encouraging response and improvement in sales.”

Mr. Suresh Jain, CFO, Essar Oil, said, “FY15 has been very successful year where our refinery has delivered stellar operating performance and our financing cost has declined significantly. This enabled us to declare highest ever GRM, EBIDTA and Profitability. We continue to look at opportunities to further reduce interest cost and strengthen our Balance Sheet.”

Results for Q4FY15

Essar Oil’s Current Price Gross Refining Margin (CP GRM) for the January-March 2015 quarter (Q4FY15) was highest ever at \$10.41/bbl against \$10.12/bbl reported in Q4FY14. In spite of fall in crude oil prices, key product cracks have generally remained steady, resulting in robust refining margins.

EBITDA during the quarter stood at Rs 1,804 crore, against Rs 2,082 crore in Q4FY14. Profit after Tax (PAT) for the quarter was at Rs. 546 crore, against Rs 1,008 crore in Q3FY14.

During the quarter, Vadinar Refinery processed 5.12 MMT of crude, Vs 5.05 MMT during the same period last year, up 1.4%. Refinery processed 94% of Heavy and Ultra Heavy crude in its crude diet during Q4FY15, against 88% in the corresponding quarter last fiscal.

Gross revenue for the quarter stood at Rs 19,252 crore, which was 30% lower than the Rs 27,691 crore reported in Q4FY14. The dip in revenues is mainly due to lower crude oil price, which fell by about 50% as compared to Q4FY14. As against October-December 2014 (Q3FY15) quarter, crude prices were down by about a third.

Operating and Financial Performance: Key Indicators

	Q4FY15	Q4FY14	% change	FY15	FY14	% change
Throughput (in MMT)	5.12	5.05	1	20.49	20.23	1
Gross Revenue (in Rs crore)	19,252	27,691	(30)	92,983	1,07,190	(13)
CP GRM (in \$/bbl)	10.41	10.12	3	8.37	7.98	5
EBIDTA (in Rs crore)*	1,804	2,082	(13)	5,761	4,781	20
Profit After Tax (in Rs crore)	546	1008	(46)	1,521	126	1107

* EBIDTA includes forex variations

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Marketing Operations

During the quarter, Essar Oil realized 57% of its revenues from the domestic market. Exports were higher at 43% (Vs 34% in Q4FY14) due to sluggish domestic demand and increased production from the newly commissioned PSU refineries.

Essar Oil has about 1500 operational retail outlets nationwide, with another 1,400 in various stages of implementation. With the government announcing deregulation of diesel prices on 19th Oct 2014, diesel retail sales from Essar Oil's outlets is gradually picking up. During the year, Essar Oil has more than doubled its retail volume from FY14. Essar Oil retail sales now account for 8% of its revenues (during Q4FY15) against 2% in the corresponding quarter last fiscal.

Exploration & Production

At our flagship Raniganj CBM Asset, we have achieved production of 0.62 million scm/d (standard cubic meters per day), making Essar Oil India's largest CBM gas producer. This is being sold to industrial consumers in the catchment area.

While 120 wells have been already placed on gas production, additional 142 wells have been drilled and presently are at various stages of the hydrofracking-completion-dewatering cycle for gas ramp up to 1.2 million scmd over the next few months and 2.5-3 million scmd finally. We have built a high quality infrastructure including gas conditioning and compression stations, in-field pipelines of 120 kms. and last mile pipeline connectivity network to end users of approx. 60 kms. Essar anticipates completing the development program ahead of the May 2016 deadline as per the Contract with the Government of India.

About Essar Oil

Essar Oil is a fully integrated oil & gas company of international scale with strong presence across the hydrocarbon value chain from exploration & production to refining and oil retail. Essar Oil owns India's second largest single site refinery having a capacity of 20 MMTPA and complexity of 11.8, which is amongst the highest globally. It has a portfolio of onshore and offshore oil & gas blocks with about 1.7 billion barrels of oil equivalent in reserves & resources. There are about 1,500 Essar-branded oil retail outlets in various parts of India.

About Essar Global Fund Limited (Essar)

Essar Global Fund Limited is an investment fund managed by its investment manager, Essar Capital Limited. The Fund is a global investor, controlling a number of world-class assets diversified across the core sectors of Energy, Metals & Mining, Infrastructure (comprising ports and EPC businesses) and Services (primarily comprising shipping and BPO businesses). The aggregated revenues of the Fund's portfolio companies total US\$35 billion. The Fund's portfolio companies employ over 60,000 people across 29 countries, and have adopted international standards of health, safety, environmental protection and corporate governance

Media Contacts:

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Rabin Ghosh, Corporate Communications, (Mumbai)

Tel: 91 99 301 36268, email: rabin.ghosh@essar.com

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