

ESSAR OIL LIMITED



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Tel: +91-2833-661444 , Fax: +91-2833-662929 , Website: www.essaroil.co.in
E-mail : eolinvestors@essar.com, Corporate identity number - L11100GJ1989PLC032116

PART I

(₹ in Crore)

Statement of standalone unaudited financial results for the Quarter ended on June 30, 2015

Sr. No.	Particulars	Quarter ended on			Year ended on
		30-06-2015 (Unaudited)	31-03-2015 (Unaudited)	30-06-2014 (Unaudited)	31-03-2015 (Audited)
1	Income from operations				
	a) Net sales / income from operations (Net of excise duty & VAT)	16,303	15,563	24,811	82,983
	b) Other operating income	37	46	44	223
	Total income from operations (net)	16,340	15,609	24,855	83,206
2	Expenses				
	a) Cost of raw materials consumed (See sr. no. 9 below)	13,406	11,204	22,298	70,498
	b) Purchase of traded goods	849	1,147	405	2,922
	c) (Increase) / Decrease in stock of finished goods, work-in-progress and stock-in-trade	(589)	1,043	(22)	1,479
	d) Consumption of fuel	156	158	162	674
	e) Employee benefits expenses	79	61	59	229
	f) Selling and marketing expenses	116	136	153	564
	g) Depreciation / Amortisation	242	228	235	757
	h) Other expenses	521	549	410	1,762
	Total expenses	14,780	14,526	23,700	78,885
3	Profit / (Loss) from operations before foreign exchange loss / (gain), other income, finance cost and exceptional item (1-2)	1,560	1,083	1,155	4,321
4	Other income	324	144	266	1,026
5	Profit / (Loss) from ordinary activities before foreign exchange loss / (gain), finance cost and exceptional item (3+4)	1,884	1,227	1,421	5,347
6	Foreign exchange loss / (gain)	65	(349)	49	343
7	Finance cost	756	704	681	2,565
8	Profit / (Loss) from ordinary activities before exceptional item (5-6-7)	1,063	872	691	2,439
9	Exceptional item (Refer note 4)	-	326	-	918
10	Profit / (Loss) from ordinary activities before tax (8-9)	1,063	546	691	1,521
11	Tax expense (net of MAT credit entitlement)	-	-	-	-
12	Net profit / (Loss) from ordinary activities after tax (10-11)	1,063	546	691	1,521
13	Paid up equity share capital (Face value : ₹ 10/- per share)	1,450	1,450	1,450	1,450
14	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year				2,403
15	Earnings per share before and after extraordinary items (in ₹)				
	- Basic (Not Annualised)*	7.33*	3.77*	4.76*	10.50
	- Diluted (Not Annualised)* (Refer note 5)	7.32*	3.76*	4.76*	10.48



PART II					
Sr. No.	Particulars	Quarter ended on			Year ended on
		30-06-2015 (Unaudited)	31-03-2015 (Unaudited)	30-06-2014 (Unaudited)	31-03-2015 (Audited)
(A)	PARTICULARS OF SHAREHOLDING				
1	Public shareholding:				
	Number of shares	137,123,373	137,123,373	137,123,373	137,123,373
	Percentage of shareholding excluding shares represented by Global Depository Shares	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%
2	Promoters and promoter group shareholding including shares represented by Global Depository Shares				
	a) Pledged / Encumbered				
	- Number of shares	258,222,080	258,222,080	258,222,080	258,222,080
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	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%
	b) Non-encumbered				
	- Number of shares	1,054,171,447	1,054,171,447	1,054,171,447	1,054,171,447
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	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%

Particulars	Quarter ended on 30-06-2015
(B) INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	3
Add: Received during the Quarter	53
Less: Disposed of during the Quarter	55
Remaining unresolved at the end of the Quarter	1

Segment wise Revenue, Results & Capital Employed :

Segment wise Revenue, Results & Capital Employed :

				(₹ in Crore)	
Sr. No.	Particulars	Quarter ended on			Year ended on
		30-06-2015 (Unaudited)	31-03-2015 (Unaudited)	30-06-2014 (Unaudited)	31-03-2015 (Audited)
1	Segment Revenue				
	Refining and marketing	16,375	15,661	24,911	83,426
	Exploration and production activities	1	(7)	4	7
	Unallocated	6	7	10	40
	Total Segment revenue	16,382	15,661	24,925	83,473
2	Segment Results Profit / (Loss) before interest and tax				
	Refining and marketing	1,584	1,200	1,148	3,387
	Exploration and production activities	(1)	(11)	(1)	(8)
	Unallocated	(100)	(101)	(75)	(315)
	Total	1,483	1,088	1,072	3,064
	Less: Interest expenses	702	634	577	2,302
	Add : Interest income	281	90	196	755
	Add : Profit on sale of Investments	1	1	0	2
	Add : Credit balances written back	(0)	1	0	2
	Total Profit / (Loss) before tax	1,063	546	691	1,521
3	Capital employed (Segment assets - Segment liabilities)				
	Refining and marketing	26,168	28,010	25,203	28,010
	Exploration and production activities	3,748	3,590	3,223	3,590
	Unallocated	449	397	349	397
	Total Capital employed	30,365	31,997	28,775	31,997

"0" represents amount less than ₹ 1 crore



- 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 July 29, 2015 at Mumbai.
- 2 The Company has since received in-principle approval for delisting of equity shares from National Stock Exchange of India Limited on July 3, 2015 and from Bombay Stock Exchange of India Limited on July 15, 2015.
- 3 The Company achieved a throughput of 5.17 MMT (Million Metric Tonnes) of crude during the quarter. The throughput for various periods are as under:

Particulars	Quarter ended on			Year ended on
	30-06-2015	31-03-2015	30-06-2014	31-03-2015
Throughput (in MMT)	5.17	5.12	5.14	20.49

- 4 Exceptional item represents abnormal inventory losses consequent upon the month on month steep and unprecedented fall in the global prices of crude oil, during those periods.
- 5 The Company had received ₹ 1,501 crore (USD 246.10 million) as advance towards Global Depository Shares ("GDS") during the year ended March 31, 2015 from Essar Energy Holdings 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.
- 6 Previous periods' figures have been regrouped / rearranged, wherever considered necessary.

By Order of the Board
For Essar Oil Limited


Lalit Kumar Gupta
Managing Director and Chief Executive Officer

Place : Mumbai
Date : July 29, 2015

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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF ESSAR OIL LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ESSAR OIL LIMITED** ("the Company") for the quarter ended June 30, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended June 30, 2015 of the Statement, from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.117365W)

P. B. Pardiwalla

Porus Pardiwalla
Partner
Membership No. 040005

Mumbai, July 29, 2015

For Immediate Release

STRONG QUARTERLY PERFORMANCE BY ESSAR OIL

Highest ever quarterly PAT, EBITDA and Current Price Gross Refining Margin (CP GRM)

- PAT at Rs 1,063 crores compared to Rs 691 crores in Q1FY15; up 54%
- EBITDA at Rs 2,060 crores vs Rs 1,606 crores in Q1FY15; up 28%
- Highest ever Current Price Gross Refining Margin (CP GRM) at \$11.05/bbl vs \$9.04/bbl in Q1FY15; up 22%
- Raniganj CBM production at 0.65 million scmd, making Essar Oil India's largest CBM gas producer
- About 1,550 retail outlets operational, with another 1600+ under implementation



Mumbai, 29th July 2015: Essar Oil, India's second largest private refiner, today reported its best ever quarterly performance, with the highest ever PAT (Rs 1,063 crores), EBITDA (Rs 2,060 crores) and CP GRM (\$11.05/bbl) in the first quarter of FY2015-16.

The gross revenues for the quarter stood at Rs 20,572 crore, which is 25% lower than the Rs 27,317 crore reported in Q1FY15. This dip in revenues was mainly because of lower crude oil prices prevailing in the global market.

Essar Oil Limited:

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	Q1FY16	Q1FY15	% change
Profit After Tax (in Rs crores)	1,063	691	54
EBIDTA (in Rs crores)*	2,060	1,606	28
Gross Revenue (in Rs crores)	20,572	27,317	(25)
CP GRM (in \$/bbl)	11.05	9.04	22
Throughput (in million tonnes)	5.17	5.14	0.6

* EBIDTA includes forex variations

Refinery performance

During the April 2015 - June 2015 quarter (Q1FY16), the Vadinar Refinery continued to operate above its rated capacity, registering a throughput of 5.17 million tonnes. With its increased complexity, post the expansion and optimisation projects that were completed in 2012, the refinery continues to process a high volume of heavy and ultra-heavy crudes that enable better refining margins. In terms of finished products, the refinery continues to produce a high proportion of light and middle distillates that also have a positive impact on margins.

Management Speak

Talking on the results, **LK Gupta, Managing Director & CEO, Essar Oil**, said: "It is encouraging to begin the fiscal year with such strong performance. For the 12th consecutive quarter, our Refinery has continued with its trend of registering steady and strong performance by operating beyond its rated capacity. The planned 30-day refinery maintenance shutdown between September and October this year will help us complete our Diesel Maximisation Project, which will enable us to convert lower margin intermediates like VGO to higher margin distillates like diesel. This will further improve our refining margins. Our retail expansion is on track and we are witnessing encouraging response and improvement in sales."

Suresh Jain, CFO, Essar Oil, said, "We have declared record quarterly results on the back of stellar operating and financial performance. Consistent strong financial performance has improved all financial parameters and ratios in the last two years. We are confident of further reduction in our interest cost through the ongoing dollarisation programme."

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Marketing & Retail Operations

During the quarter, 65% of Essar Oil's revenues came from the domestic market, while the rest came from exports. Retail sales volumes of diesel have seen a consistent rise post deregulation and has contributed to the overall rise in domestic sales.

Retail sales accounted for 9% of Essar Oil's revenues in Q1FY16 against 2% in the corresponding quarter last fiscal. During the quarter, Essar Oil commissioned 51 new outlets. The Company currently has about 1,550 operational retail outlets nationwide, with another 1,600 in various stages of implementation.

Exploration & Production

At our flagship Raniganj CBM Asset, we have achieved production of 0.65 million scm/d (standard cubic meters per day), with an open flow potential of 0.75 million scm/d. This is being sold to industrial consumers in the catchment area. Essar Oil is presently India's largest CBM gas producer.

While 136 wells have been placed on gas production, additional 126 wells have been already 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. We envisage the peak production from Raniganj at around 2.5-3 million scmd. We have built a high quality infrastructure including gas conditioning and compression stations, in-field pipelines of over 200 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 million tonnes 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 1,550 Essar-branded oil retail outlets in various parts of India with another 1,600 under various stages of implementation.

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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