

EOL/SEC/7578

August 12, 2014

Bombay Stock Exchange Limited
Department of Corporate Services
PhirozeJeejeebhoy Towers, Dalal Street
Mumbai - 400001 (Stock code – 500134)

National Stock Exchange of India Limited
Exchange Plaza, Plot no.C/1, G. Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051 (Stock code – ESSAROIL)

Essar Oil Limited
Equinox Business Park
Tower - 2
Off Bandra Kurla Complex
L.B.S. Marg, Kurla West
Mumbai 400 070.
India

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Sir/s,

Sub.: Outcome of the Board Meeting held on August 12, 2014

This is to inform you that at a meeting of the Board of Directors of the Company held today, August 12, 2014, the Unaudited Financial Results for the quarter ended June 30, 2014 were adopted. The advertisement to be published in this regard is enclosed.

Also enclosed is a copy of the Limited Review Report dated August 12, 2014 received from the Statutory Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad in respect of the said Unaudited Financial Results of the Company and the press release being made to the media on the Unaudited Financial Results for the quarter ended on June 30, 2014.

Please note that the trading window was closed for the purpose of adoption of unaudited financial results with effect from July 1, 2014.

Kindly acknowledge receipt.

Yours faithfully
For **ESSAR OIL LIMITED**


SHEIKH S SHAFFI
COMPANY SECRETARY

- cc: 1) National Securities Depository Ltd.
2) Central Depository Services (India) Ltd.
3) IDBI Trusteeship Services Ltd., Debenture Trustee
4) Overseas Depository to GDS, The Bank of New York Mellon
5) Datamatics Financial Services Ltd., Transfer Agent.

CIN : L11100GJ1989PLCO32116

Essar Oil Limited
Registered Office Address : Khambhalia Post, Post Box No. 24, Dist. Jamnagar 361 305, Gujarat, India.

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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 (₹ in Crore)

Unaudited financial results for the Quarter ended on June 30, 2014

| Sr. No. | Particulars | Quarter ended on | | | Year ended on |
|---------|---|---------------------------|------------------------------|---------------------------|-------------------------|
| | | 30-06-2014 (Unaudited) | 31-03-2014 (Refer note 7) | 30-06-2013 (Unaudited) | 31-03-2014 (Audited) |
| 1 | Income from operations | | | | |
| | a) Net sales / income from operations (Net of excise duty & VAT) | 24,811 | 25,211 | 22,358 | 98,353 |
| | b) Other operating income | 44 | 63 | 103 | 249 |
| | Total income from operations (net) | 24,855 | 25,274 | 22,461 | 98,602 |
| 2 | Expenses | | | | |
| | a) Cost of raw materials consumed | 22,298 | 22,646 | 20,194 | 88,824 |
| | b) Purchase of traded goods | 405 | 343 | 310 | 1,276 |
| | c) (Increase) / Decrease in stock of finished goods, work-in-progress and stock-in-trade | (22) | (42) | (13) | 148 |
| | d) Consumption of fuel | 162 | 182 | 224 | 756 |
| | e) Employee benefits expenses | 59 | 51 | 57 | 225 |
| | f) Selling and marketing expenses | 153 | 139 | 175 | 687 |
| | g) Depreciation / Amortisation | 242 | 347 | 332 | 1,355 |
| | h) Other expenses | 410 | 422 | 417 | 1,629 |
| | Total expenses | 23,707 | 24,088 | 21,696 | 94,900 |
| 3 | Profit / (Loss) from operations before foreign exchange loss / (gain), other income, finance cost and exceptional items (1-2) | 1,148 | 1,186 | 765 | 3,702 |
| 4 | Other income | 232 | 205 | 231 | 871 |
| 5 | Profit / (Loss) from ordinary activities before foreign exchange loss / (gain), finance cost and exceptional items (3+4) | 1,380 | 1,391 | 996 | 4,573 |
| 6 | Finance cost | 647 | 694 | 946 | 3,218 |
| 7 | Profit / (Loss) from ordinary activities before foreign exchange loss / (gain) and exceptional items, and after finance cost (5-6) | 733 | 697 | 50 | 1,355 |
| 8 | Foreign exchange loss / (gain) | 49 | (314) | 913 | 1,226 |
| 9 | Exceptional items | - | - | - | - |
| 10 | Profit / (Loss) from ordinary activities before tax (7-8-9) | 684 | 1,011 | (863) | 129 |
| 11 | Tax expense | - | 3 | - | 3 |
| 12 | Net profit / (Loss) from ordinary activities after tax (10-11) | 684 | 1,008 | (863) | 126 |
| 13 | Paid up equity share capital (Face value : ₹ 10/- per share) | 1,450 | 1,450 | 1,366 | 1,450 |
| 14 | Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year | | | | 965 |
| 15 | Earnings per share before and after extraordinary items (in ₹) | | | | |
| | -Basic (Not Annualised)* | 4.72* | 6.95* | (6.32*) | 0.90 |
| | - Diluted (Not Annualised)* | 4.71* | 6.95* | (6.32*) | 0.87 |



| PART II | | | | | |
|--|--|---------------------------|----------------|---------------------------|-------------------------|
| Sr. No. | Particulars | Quarter ended on | | | Year ended on |
| | | 30-06-2014 (Unaudited) | 31-03-2014 | 30-06-2013 (Unaudited) | 31-03-2014 (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 |
| | Percentage of shareholding excluding shares represented by Global Depository Shares | 27.53% | 27.53% | 38.61% | 27.53% |
| | Percentage of shareholding including shares represented by Global Depository Shares | 9.46% | 9.46% | 10.04% | 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 | 18,53,38,627 | 25,82,22,080 |
| | - Percentage of shares (as a % of the total shareholding of promoters and promoter group) | 19.68% | 19.68% | 15.09% | 19.68% |
| | - Percentage of shares (as a % of the total share capital of the company) | 17.81% | 17.81% | 13.57% | 17.81% |
| | b) Non-encumbered | | | | |
| | - Number of shares | 1,05,41,71,447 | 1,05,41,71,447 | 1,04,32,05,086 | 1,05,41,71,447 |
| | - Percentage of shares (as a % of the total shareholding of promoters and promoter group) | 80.32% | 80.32% | 84.91% | 80.32% |
| | - Percentage of shares (as a % of the total share capital of the company) | 72.73% | 72.73% | 76.39% | 72.73% |

| Particulars | Quarter ended on 30-06-2014 |
|--|-----------------------------|
| (B) INVESTOR COMPLAINTS | |
| Pending at the beginning of the Quarter | Nil |
| Add: Received during the Quarter | 32 |
| Less: Disposed of during the Quarter | 31 |
| Remaining unresolved at the end of the Quarter | 1 |

Segment wise Revenue, Results & Capital Employed :

| | | | | | | (₹ in Crore) |
|----------|--|---------------------------|------------------------------|---------------------------|-------------------------|--------------|
| Sr. No. | Particulars | Quarter ended on | | | Year ended on | |
| | | 30-06-2014 (Unaudited) | 31-03-2014 (Refer note 7) | 30-06-2013 (Unaudited) | 31-03-2014 (Audited) | |
| 1 | Segment Revenue | | | | | |
| | Refining and marketing | 24,911 | 25,323 | 22,525 | 98,823 | |
| | Exploration and production activities | 4 | 3 | 4 | 12 | |
| | Unallocated | 10 | (3) | 7 | 24 | |
| | Total | 24,925 | 25,323 | 22,536 | 98,859 | |
| | Less : Inter-segment revenue | - | - | - | - | |
| | Total Segment revenue | 24,925 | 25,323 | 22,536 | 98,859 | |
| 2 | Segment Results Profit / (Loss) before interest and tax | | | | | |
| | Refining and marketing | 1,139 | 1,438 | (212) | 2,211 | |
| | Exploration and production activities | (1) | (2) | (1) | (1) | |
| | Unallocated | (75) | (89) | (61) | (244) | |
| | Total | 1,063 | 1,347 | (274) | 1,966 | |
| | Less: Interest expenses | 541 | 492 | 745 | 2,451 | |
| | Add : Interest income | 162 | 152 | 154 | 603 | |
| | Add : Profit on sale of Investments | 0 | 2 | 2 | 9 | |
| | Add : Credit balances written back | 0 | 2 | 0 | 2 | |
| | Total Profit / (Loss) before tax | 684 | 1,011 | (863) | 129 | |
| 3 | Capital employed (Segment assets - Segment liabilities) | | | | | |
| | Refining and marketing | 25,123 | 22,899 | 24,734 | 22,899 | |
| | Exploration and production activities | 3,223 | 2,945 | 2,382 | 2,945 | |
| | Unallocated | 349 | 416 | 960 | 416 | |
| | Total Capital employed | 28,695 | 26,260 | 28,076 | 26,260 | |

0 represents amount less than ₹ 1 crore



Notes to unaudited financial results for the Quarter ended on June 30, 2014

1 The above results have been reviewed by the Audit and Governance Committee and approved by the Board of Directors at their respective meetings held on August 12, 2014 at Mumbai.

2 The Company achieved a throughput of 5.14 MMT (Million Metric Tonnes) of crude during the quarter. The throughput for various periods are as under:

| Particulars | Quarter ended on | | | Year ended on |
|---------------------|------------------|------------|------------|---------------|
| | 30-06-2014 | 31-03-2014 | 30-06-2013 | 31-03-2014 |
| Throughput (in MMT) | 5.14 | 5.05 | 5.14 | 20.23 |

3 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. The Company expects the useful lives of its assets to be higher than that prescribed under Schedule II and has initiated a separate assessment of the useful lives of its assets. Adjustment to the depreciation charge will be made in the coming quarters on completion of the assessment.

4 On August 06, 2014, the Company's shareholders approved delisting of the Company's equity shares from stock exchanges.

5 During the quarter, the Company received ₹ 839 crore (USD 139.80) million from a Holding Company Essar Energy Holding Ltd. as advance towards Global Depository Shares.

6 The shareholders of the Company, on May 06, 2014, have approved the following acquisitions:

(a) 10.25% cumulative Redeemable Preference shares of Essar Power Limited (EPoL) of the face value of ₹ 1,025 crore from Essar House Ltd (EHL).

(b) Equity and participating preference shares of Vadinar Power Company Limited (VPCL), for an amount not exceeding ₹ 2,100 crore from EPoL. The Company is in the process of completing formalities for the acquisition of the shares.

7 Results for the previous quarter ended March 31, 2014 are the balancing figures between the audited figures for the year ended March 31, 2014 and corresponding published year to date figures upto third quarter ended December 31, 2013 which were subjected to Limited Review by Statutory Auditors.

8 The Company has not recognised Deferred Tax Assets (net) of ₹ 1,687 crore as on June 30, 2014 on unabsorbed depreciation / loss in view of the concept of "Virtual Certainty Supported by Convincing Evidence" as required under Accounting Standard (AS) 22 - Accounting for Taxes on Income.

9 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 : August 12, 2014

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



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, 2014 ("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 5 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 the Companies Act, 1956 (which are deemed to be applicable as per 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. The settlement of dues from Essar House Limited and Vadinar Power Company Limited aggregating to Rs. 4,343 crores is predicated on the acquisition of shares (refer Note No. 6 of the Statement) and receipt of Rs. 1,293 crores. These transactions, we are informed, are expected to be completed before the end of the financial year.

Our report is not qualified in respect of this matter.
5. 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



Deloitte Haskins & Sells

disclosed in Part II - Select Information for the quarter ended June 30, 2014 of the Statement,
from the details furnished by the Registrars.

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

P-13 Pardiwalla

Porus Pardiwalla
Partner
Membership No. 040005

Mumbai, August 12, 2014



For Immediate Release

Q1FY15 Highlights

- Gross revenues at Rs 27,317 crore, vs Rs 24,721 crore in Q1FY14
- Throughput at 5.14 MMT; refinery consistently operating above its rated capacity
- Current Price Gross Refining Margin (CP GRM) at \$9.04 /bbl Vs \$7.01 /bbl in Q1FY14
- EBITDA at Rs 1,573 crore vs Rs 414 crore in Q1FY14
- PAT at Rs 684 crore Vs a loss of Rs 863 crore in Q1FY14

Mumbai, Aug 12, 2014: Essar Oil, India's second largest private refiner, today reported gross revenues of Rs 27,317 crore for the April-June 2014 (Q1FY15) quarter, which was up 11% as compared Rs 24,721 crore reported in Q1FY14.

Current Price Gross Refining Margin (CP GRM) for Q1FY15 was \$9.04/bbl, which was up 29% compared to \$7.01/bbl in Q1FY14.

EBITDA during the quarter stood at Rs 1,573 crore, against Rs 414 crore in Q1FY14. Profit after Tax (PAT) for the quarter was at Rs 684 crore against a loss of Rs 863 crore during the same period last year.

During the quarter, Vadinar Refinery processed 5.14 MMT of crude, vs 5.14 MMT during the same period last year.

Talking on the results, **Mr. L.K. Gupta, Managing Director and CEO, Essar Oil**, said: "Operationally we continue to do well with the refinery operating at over 100% capacity. Our capability of sourcing, blending, and processing of heavy and ultra heavy crude, coupled with a product mix geared towards light and middle distillates have resulted in healthy margins".

Mr. Suresh Jain, CFO, Essar Oil said, "Consistency in operating performance coupled with stable forex and crude prices helped us to sustain our CP GRM and profitability."

Essar Oil Limited:

CIN : L11100GJ1989PLC032116

Registered Office: Khambhaliya Post, P O Box 24, District Devbhumi Dwarka, Gujarat – 361305, India.

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Operating and Financial Performance: Key Indicators

| | Q1FY15 | Q1FY14 | % change |
|--------------------------------|--------|--------|----------|
| Throughput (in MMT) | 5.14 | 5.14 | - |
| Gross Revenue (in Rs crore) | 27,317 | 24,721 | 11% |
| CP GRM (in \$/bbl) | 9.04 | 7.01 | 29% |
| EBIDTA (in Rs crore)* | 1,573 | 414 | 280% |
| Profit After Tax (in Rs crore) | 684 | (863) | - |

** EBIDTA includes forex variations

Marketing Operations

During the quarter, Essar Oil realized 66% of its revenues from the domestic market. Essar Oil has about 1,400 retail outlets across the nation, with over 300 in various stages of commissioning. We are now working to restart diesel sale from our retail outlets in phases.

Exploration & Production

At our flagship Raniganj CBM block, current gas production is around 220,000 standard cubic metres per day (scm/d), which is being sold locally through pipeline and cascades. We have drilled 209 wells and laid requisite infrastructure including pipelines to supply CBM Gas to end consumers. Three Gas Gathering Stations (GGS) are complete and one more is under construction.

---ENDS---

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 more than 1,700 Essar-branded oil retail outlets in various parts of India.

About Essar

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Essar is a US\$ 39-billion multinational corporation with investments in Steel, Energy, Infrastructure and Services. With operations in more than 25 countries, it employs over 73,000 people.

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