

EOL/SEC/7549

May 20, 2014

Bombay Stock Exchange Limited

Department of Corporate Services
Phiroze Jeejeebhoy 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
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Sir/s,

Sub.: Outcome of the Board Meeting held on May 20, 2014

This is to inform you that at a meeting of the Board of Directors of the Company held today, May 20, 2014, the following business was transacted:

1. Audited Financial Results for the year ended March 31, 2014

The Audited Financial Results for year ended on March 31, 2014, were adopted. The press release being made to the media after release of the Audited Financial Results for the year ended 31st March, 2014 and an advertisement to be published in this regard is enclosed.

2. Noting change of district in which the Registered office is situated

The Board noted the change in district in which the Registered Office of the Company is situated. Accordingly, the Registered Office address is: Khambhalia Post, P O Box 24, District Devbhumi Dwarka, Gujarat – 361305.

3. Resignation of Mr. Philip Aiken, Non – Executive Director

The Board took note of resignation tendered by Mr. Philip Aiken with effect from May 19, 2014.

Please note that the trading window was closed for the purpose of adoption of audited financial results with effect from April 3, 2014.

Kindly acknowledge receipt.

Thanking you,

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.

ESSAR OIL LIMITED



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

PART I

(₹ in Crore)

Audited financial results for the Quarter and Year ended on March 31, 2014

Sr. No.	Particulars	Standalone					Consolidated
		Quarter ended on			Year ended on		Year ended on
		31-03-2014 (Refer note 4)	31-12-2013 (Unaudited)	31-03-2013 (Refer note 4)	31-03-2014 (Audited)	31-03-2013 (Audited)	31-03-2014 (Audited) (Refer note 5)
1	Income from operations						
	a) Net sales / income from operations (Net of excise duty & VAT)	25,211	25,089	23,534	98,353	88,307	98,353
	b) Other operating income	63	42	116	249	271	249
	Total income from operations (net) (Refer note 2)	25,274	25,131	23,650	98,602	88,578	98,602
2	Expenses						
	a) Cost of raw materials consumed .	22,646	22,217	20,895	88,824	81,334	88,824
	b) Purchase of traded goods	343	335	299	1,276	867	1,276
	c) (Increase) / Decrease in stock of finished goods, work-in-progress and stock-in-trade	(42)	926	234	148	(237)	148
	d) Consumption of fuel	182	162	215	756	800	756
	e) Employee benefits expenses	51	58	46	225	186	225
	f) Selling and marketing expenses	139	185	181	687	582	687
	g) Depreciation / Amortisation	347	338	325	1,355	1,296	1,355
	h) Other expenses	422	416	458	1,629	1,353	1,629
	Total expenses	24,088	24,637	22,653	94,900	86,181	94,900
3	Profit from operations before foreign exchange loss / (gain), other income, finance cost and exceptional items (1-2)	1,186	494	997	3,702	2,397	3,702
4	Other income	205	224	209	871	609	871
5	Profit from ordinary activities before foreign exchange loss / (gain), finance cost and exceptional items (3+4)	1,391	718	1,206	4,573	3,006	4,573
6	Finance cost	694	812	920	3,218	3,424	3,218
7	Profit / (Loss) from ordinary activities before foreign exchange loss / (gain) and exceptional items, and after finance cost (5-6)	697	(94)	286	1,355	(418)	1,355
8	Foreign exchange loss / (gain)	(314)	(146)	(25)	1,226	651	1,226
9	Exceptional items	-	-	111	-	111	-
10	Profit / (Loss) from ordinary activities before tax (7-8-9)	1,011	52	200	129	(1,180)	129
11	Tax expense	3	-	-	3	-	3
12	Net profit / (Loss) from ordinary activities after tax (10-11)	1,008	52	200	126	(1,180)	126
13	Share of profit of associate	-	-	-	-	-	1
14	Net Profit / (Loss) after taxes and share of profit of associate (12+13)	1,008	52	200	126	(1,180)	127
15	Paid up equity share capital (Face value : ₹ 10/- per share)	1,450	1,450	1,366	1,450	1,366	1,450
16	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year					(275)	
17	Earnings per share before and after extraordinary items (in ₹)						
	-Basic (Not Annualised)*	6.95*	0.38*	1.47*	0.90	(8.64)	0.91
	- Diluted (Not Annualised)*	6.95*	0.36*	1.38*	0.87	(8.64)	0.88



PART II						
Sr. No.	Particulars	Standalone				Consolidated
		Quarter ended on		Year ended on		Year ended on
		31-03-2014	31-12-2013 (Unaudited)	31-03-2013	31-03-2014 (Audited)	31-03-2013 (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
	Percentage of shareholding excluding shares represented by Global Depository Shares	27.53%	27.53%	38.61%	27.53%	38.61%
	Percentage of shareholding including shares represented by Global Depository Shares	9.46%	9.46%	10.04%	9.46%	10.04%
2	Promoters and promoter group shareholding including shares represented by Global Depository Shares					
	a) Pledged / Encumbered					
	- Number of shares	25,82,22,080	18,53,38,627	18,73,38,627	25,82,22,080	18,73,38,627
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	19.68%	14.12%	15.25%	19.68%	15.25%
	- Percentage of shares (as a % of the total share capital of the company)	17.81%	12.79%	13.72%	17.81%	13.72%
	b) Non-encumbered					
	- Number of shares	1,05,41,71,447	1,12,70,54,900	1,04,12,05,086	1,05,41,71,447	1,04,12,05,086
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	80.32%	85.88%	84.75%	80.32%	84.75%
	- Percentage of shares (as a % of the total share capital of the company)	72.73%	77.75%	76.24%	72.73%	76.24%

Particulars	Quarter ended on 31-03-2014
(B) INVESTOR COMPLAINTS	
Pending at the beginning of the Quarter	Nil
Add: Received during the Quarter	23
Less: Disposed of during the Quarter	23
Remaining unresolved at the end of the Quarter	Nil

Segment wise Revenue, Results & Capital Employed :

(₹ in Crore)						
Sr. No.	Particulars	Standalone				Consolidated
		Quarter ended on		Year ended on		Year ended on
		31-03-2014	31-12-2013 (Unaudited)	31-03-2013	31-03-2014 (Audited)	31-03-2013 (Audited)
1	Segment Revenue					
	Refining and marketing	25,323	25,182	23,698	98,823	88,714
	Exploration and production activities	3	3	5	12	16
	Unallocated	(3)	10	7	24	30
	Total	25,323	25,195	23,710	98,859	88,760
	Less : Inter-segment revenue	-	-	-	-	-
	Total Segment revenue	25,323	25,195	23,710	98,859	88,760
2	Segment Results Profit / (Loss) before interest and tax					
	Refining and marketing	1,438	554	930	2,211	1,363
	Exploration and production activities	(2)	3	3	(1)	(1)
	Unallocated	(89)	(63)	(74)	(244)	(154)
	Total	1,347	494	859	1,966	1,208
	Less: Interest expenses	492	602	808	2,451	2,815
	Add : Interest income	152	157	146	603	419
	Add : Profit on sale of Investments	2	3	1	9	4
	Add : Credit balances written back	2	(0)*	2	2	4
	Total Profit / (Loss) before tax and Share of profit of associates	1,011	52	200	129	(1,180)
3	Capital employed (Segment assets - Segment liabilities)					
	Refining and marketing	22,899	22,487	26,982	22,899	26,982
	Exploration and production activities	2,945	2,719	2,166	2,945	2,166
	Unallocated	416	534	566	416	566
	Total Capital employed	26,260	25,740	29,714	26,260	29,714

*0 represents amount less than ₹ 1 crore



Statement of assets and liabilities		(₹ in Crore)		
Particulars		Standalone		Consolidated
		As at 31-03-2014 (Audited)	As at 31-03-2013 (Audited)	As at 31-03-2014 (Audited) (Refer note 5)
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
a) Share capital		1,466	1,382	1,466
b) Reserves and surplus		965	(275)	1,002
	Sub-total - Shareholders' funds	2,431	1,107	2,468
2 Foreign Currency Compulsory Convertible Bonds		-	1,340	-
3 Non-current liabilities				
a) Long-term borrowings		14,285	14,539	14,285
b) Deferred tax liabilities (Net)		-	-	-
c) Other long term liabilities		239	2,216	239
d) Long-term provisions		5	5	5
	Sub-total - Non-current liabilities	14,529	16,760	14,529
4 Current liabilities				
a) Short-term borrowings		6,757	7,840	6,757
b) Trade payables		19,815	11,365	19,815
c) Other current liabilities		8,489	9,114	8,489
d) Short-term provisions		44	40	44
	Sub-total - Current liabilities	35,105	28,359	35,105
	TOTAL - EQUITY AND LIABILITIES	52,065	47,566	52,102
B ASSETS				
1 Non-current assets				
(a) Fixed assets		24,372	23,885	24,372
(b) Non-current investments		103	103	140
(c) Long-term loans and advances		980	1,138	980
(d) Other non-current assets		1,660	1,335	1,660
	Sub-total - Non-current assets	27,115	26,461	27,152
2 Current assets				
(a) Current Investments		495	-	495
(b) Inventories		9,310	10,588	9,310
(c) Trade receivables		7,100	4,716	7,100
(d) Cash and bank balances		3,632	2,431	3,632
(e) Short-term loans and advances		2,815	1,276	2,815
(f) Other current assets		1,598	2,094	1,598
	Sub-total - Current assets	24,950	21,105	24,950
	TOTAL - ASSETS	52,065	47,566	52,102



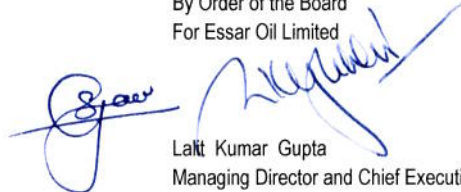
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Notes to Audited financial results for the Quarter and Year ended on March 31, 2014

- 1 The above results have been reviewed by the Audit and Governance Committee and approved by the Board of Directors at their meetings held on May 19, 2014 and May 20, 2014 respectively at Mumbai.
- 2 Total income from operations (net) for the year comprises of Gross income from operations ₹ 1,07,439 crore (previous year ₹ 97,068 crore) less Excise duty and Sales Tax / VAT ₹ 8,837 crore (previous year ₹ 8,490 crore).
- 3 The Refinery achieved highest ever annual throughput of 20.23 MMT during the current year. The throughput for various periods are as under:

Particulars	Quarter ended on			Year ended on	
	31-03-2014	31-12-2013	31-03-2013	31-03-2014	31-03-2013
Throughput (in MMT)	5.05	4.86	5.08	20.23	19.77
- 4 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.
- 5 The company acquired Essar Oil Trading Mauritius Limited, Mauritius (formally known as Steel Trading Mauritius Limited) as a wholly owned subsidiary company on March 11, 2014. The company was not required to prepare Consolidated Financial Statements for the previous year ending March 31, 2013 and hence no comparative figures have been given in the consolidated financial results.
- 6 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 notified under the Companies (Accounting Standards) Rules, 2006.
- 7 The audited financial statements of subsidiary and unaudited financial statements of the Associate considered for consolidation have been prepared in accordance with International Financial Reporting Standards and Indian Generally Accepted Accounting Principles, respectively.
- 8 The Company has not recognised Deferred Tax Assets (net) of ₹ 1,920 crore as on March 31, 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 for both standalone and consolidated results.
- 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 : May 20, 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

Essar Oil Ltd.

For Immediate Release

FY14 Highlights

- Company crosses the rupees one lakh crore revenue mark. Gross revenue at Rs.1,07,190 crore vs 96,797 crore in FY13
- Throughput at 20.23 MMT vs 19.77MMT in FY13
- CP GRM at \$7.98/bbl Vs \$7.96/bbl in FY13
- EBIDTA at Rs 4,703 crore vs Rs 3,651 crore in FY13
- Profit After Tax stood at Rs 126 crore, Vs a loss of Rs 1,180 crore in FY13
- Refinery achieves 2,190 LTI free days as on 31st March 2014

Q4FY14 Highlights

- Gross revenues at Rs 27,691 crore, vs 25,757 in Q4FY13
- Throughput at 5.05 MMT; refinery consistently operating above its rated capacity
- Current Price Gross Refining Margin (CP GRM) at \$10.12 /bbl Vs \$9.06/bbl in Q4FY13.
- EBITDA at Rs 2,053 crore vs Rs 1,556 crore in Q4FY13
- PAT at Rs 1,008 crore Vs Rs 200 crore in Q4FY13

Mumbai, May 20, 2014: For the 12 month period ending Mar 31, 2014, Essar Oil, India's second largest private refiner, today reported revenue growth of 10.7% to Rs 1,07,190 crore, against Rs 96,797 crore reported for FY13, thereby surpassing the rupees one lakh crore revenue mark for the first time. Throughput for the year was up 2.3% to 20.23 MMT.

CP GRM for the year was at \$7.98/bbl compared to \$7.96/bbl in FY13. Premium over benchmark IEA margin for the full year was at \$8.82/bbl against \$6.80/bbl in FY13. This was achieved on the back of improved crude diet—93% heavy and ultra heavy crude processed in FY14 vs 86% in FY13—and stable product slate.

EBITDA for the year stood at Rs.4,703 crore against Rs.3,651 crore in FY13. PAT stood at Rs 126 crore against a loss of Rs 1,180 crore in FY13.

Quarter highlight

Essar Oil reported gross revenues of Rs.27,691 crore for the January-March 2014 (Q4FY14) quarter, which was up 7.5% over Rs.25,757 crore in Q4FY13.

Essar Oil's Current Price Gross Refining Margin (CP GRM) for Q4FY14 was at \$10.12/bbl, compared to \$9.06/bbl in Q4FY13.

EBITDA during the quarter stood at Rs 2,053 crore, against Rs.1,556 crore in Q4FY13. Profit after Tax for the quarter was at Rs 1,008 crore against Rs.200 crore in the same period last year.

The Vadinar Refinery, at 20 MMTPA capacity and 11.8 complexity, is India's second largest single site refinery and amongst the most complex globally for a facility of this scale. During the quarter, it processed 5.05 MMT of crude, which was almost at the same level of 5.08 MMT processed during Q4FY13. Vadinar Refinery continues to operate above 100% capacity post expansion.

Talking on the results, **Mr. L.K. Gupta, Managing Director and CEO, Essar Oil**, said: "We are happy to report that the company has returned to profitability for the full year. Having breached the rupees one lakh crore revenue mark, Essar Oil is today's one of India's top 10 companies by topline, having achieved this distinction in a relative short span of five years of beginning commercial production. Operationally we continue to do well with the refinery further optimizing on its crude diet and product slate, which has resulted in the company delivering healthy GRMS at \$10.12/bbl."

Mr. Suresh Jain, CFO, Essar Oil said, "This is the first full year of operations of our expanded refinery. We are happy to share that our company has demonstrated excellent financials backed by solid operating performance, which has resulted in improved GRMs, EBITDA, and PAT for the quarter, and closed our financial year with a profit of Rs 126 crore."

Operating and Financial Performance: Key Indicators

	FY14	FY13	% change	Q4FY14	Q4FY13	% change
Throughput (in MMT)	20.23	19.77	2.3	5.05	5.08	- 0.7
Gross Revenue (in Rs crore)	1,07,190	96,797	10.7	27,691	25,757	7.5
CP GRM (in \$/bbl)	7.98	7.96	0.4	10.12	9.06	11.7
EBIDTA (in Rs crore)*	4,703	3,651	28.8	2,053	1,556	32.0
Profit After Tax (in Rs crore)	126	(1,180)	-	1,008	200	404.6

** EBIDTA includes forex variations

Marketing Operations

During the quarter, Essar Oil realized 66% of its revenues from the domestic market, against 58% and 44% in the immediate past two quarters, on account of improved domestic demand for gasoil.

Retail sales of gasoline (petrol) have also begun to show a healthy rising trend, with retail marketing accounting for 2% of the company's total sales. Essar Oil has about 1,400 retail outlets across the nation, with over 300 in various stages of commissioning. The company is reviewing its retail strategy to tap the growing gasoline demand by additionally targeting city centres for new outlets. Going forward, the company will offer outlets under all three formats viz. DODO, COCO, and CODO.

Exploration & Production

At our flagship Raniganj CBM block, current gas production is around 190,000 standard cubic metres per day (scm/d), which is being sold locally through pipeline and cascades. We have

drilled 183 wells, of which 151 are producing. The company has laid pipelines of 48 kms and 30 kms to Durgapur Industrial Area and Matix respectively. Three Gas Gathering Stations (GGS) are complete and one more is under construction.

All approvals are in place for drilling program.

VPL Acquisition

The Board approved acquisition of Vadinar Properties Limited, making it a wholly owned subsidiary, for Rs 54 crore. Vadinar Properties owns Essar Oil's existing and the new under construction township for the company employees at Vadinar.

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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 1,600 Essar-branded oil retail outlets in various parts of India.

About Essar

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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