



ESSAR STEEL LIMITED

Regd. Office: Post Hazira, Pin 394 270, Dist. Surat

Corp. Office: Essar House, 11 Keshavrao Khadye Marg, Mahalaxmi, Mumbai 400 034.

Unaudited Financial Results for the Quarter from 1st April, 2005 to 30th June, 2005

Rs. in crores

Particulars	Quarter ended		Year Ended	Consolidated Quarter ended
	30.06.05	30.06.04	31.03.05	30.06.05
	(unaudited)	(audited)	(audited)	(unaudited)
Sales	1,812.95	1,398.41	6,533.25	1,812.95
Less : Excise Duty	(162.69)	(71.85)	(416.54)	(162.69)
Net Sales	1,650.26	1,326.56	6,116.71	1,650.26
Other Income	2.63	1.18	4.56	5.52
	1,652.89	1,327.74	6,121.27	1,655.78
Expenditure				
(a) Materials Consumed & others	751.56	548.85	2,315.31	691.16
(b) Energy Cost	354.25	260.21	1,252.86	354.25
(c) Staff Cost	20.75	12.69	76.09	21.97
(d) Other expenditure	115.76	65.99	364.95	116.52
(e) (Increase) / Decrease in Finished Goods / Work-in-Progress	(128.29)	(47.61)	(92.02)	(128.29)
Gross profit before interest, depreciation, Charges pertaining to earlier years and taxation (EBIDTA)	538.86	487.61	2,204.08	600.17
Interest (net)	108.30	137.79	550.73	120.71
Gross profit before depreciation, Charges pertaining to earlier years and taxation	430.56	349.82	1,653.35	479.46
Depreciation	98.17	101.04	394.29	108.09
Profit / (Loss) for the year before Charges pertaining to earlier years and Taxation	332.39	248.78	1,259.06	371.37
(a) Exchange variation	-	-	136.55	-
(b) Other write off and provisions net of Gains on settlement of debts	-	138.85	328.41	-
Profit / (Loss) before Taxation	332.39	109.93	794.10	371.37
Provision for Fringe Benefit Tax	(0.70)	-	-	(0.77)
Provision for Deferred Tax	(115.61)	(59.49)	(195.87)	(125.30)
Provision for Taxation	(8.37)	-	(8.08)	(11.65)
Net Profit / (Loss) after tax	207.71	50.44	590.15	233.65
Paid-up Equity Share Capital	304.39	507.97	507.31	-
Reserves excluding revaluation reserves			686.54	
Basic Earnings Per Share (not annualised) (in Rupees)	6.82	0.99	11.63	-
Diluted Earnings Per Share (not annualised) (in Rupees)	1.82	0.99	10.17	-

Notes:

- The above results were reviewed by the Audit Committee in its meeting held on 27th July, 2005 and taken on record at the meeting of Board of Directors held on that date.
- The Company is engaged in only one segment viz. Steel, hence there are no reportable segment as per Accounting Standard "AS-17"
- The aggregate of non-promoters share holding was 130,347,417 equity shares (42.82%) as on 30th June, 2005. (221,538,887 equity shares (43.29%) as on 30th June, 2004)
- Board has decided in principle to merge Steel Corporation of Gujarat Ltd. (SCGL) and Hy-Grade Pellets Ltd. (HGPL), 100% subsidiaries of Essar Steel Ltd. with the company, with effect from 01.04.2005 subject to necessary formalities and approvals being completed/obtained. Hence consolidated result numbers for the quarter has been additionally provided for information.
- The number of investors complaints/letters received during the quarter, resolved and pending are

Pending as at 01.04.2005	:	42
Received during the Quarter	:	3,148
Disposed off during the Quarter	:	3,133
Pending as at 30.06.2005	:	57
- The figures have been regrouped / reclassified wherever necessary.

For Essar Steel Ltd.

Mumbai
27th July, 2005

V G Raghavan
Director (Finance)