



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 Period from 1st April, 2007 to 30th June, 2007			
Particulars	Quarter ended		Year ended
	30.06.07	30.06.06	31.03.07
	(unaudited)	(unaudited)	(audited)
			Rs. in crores
Income from Operations	2,824.99	1,902.85	9,000.46
Less : Excise Duty	(261.71)	(183.76)	(806.11)
Net Sales	2,563.28	1,719.09	8,194.35
Other Income	2.08	1.14	19.22
	2,565.36	1,720.23	8,213.57
Expenditure			
(a) Materials Consumed	973.41	828.40	3,701.55
(b) Energy Cost	771.90	527.82	2,539.40
(c) Staff Cost	50.40	24.71	152.80
(d) Other expenditure	170.11	148.38	737.23
(e) (Increase) / Decrease in Finished Goods / Work-in-Progress	(42.18)	(205.57)	(872.66)
Gross profit before interest, depreciation and taxation (EBIDTA)	641.72	396.49	1,955.25
(a) Finance Cost (net)	93.36	180.68	617.94
(b) Depreciation	187.09	149.19	631.04
(c) Prior period expenses and exceptional item (net)	-	3.74	22.81
Profit before Taxation	361.27	62.88	683.46
Provision for			
Deferred Tax	99.27	15.13	187.52
Current Tax (MAT)	29.52	5.84	55.01
Reversal of Excess provision of earlier years	-	-	(1.22)
Fringe Benefit Tax	1.42	0.78	5.66
Net Profit after tax (PAT)	231.06	41.13	436.49
Paid-up Equity Share Capital	1,139.81	1,139.81	1,139.81
Reserves excluding revaluation reserves			3,080.95
Basic Earnings Per Share (not annualised) (in Rupees)	2.02	0.02	4.38
Diluted Earnings Per Share (not annualised) (in Rupees)	2.02	0.36	4.38

Notes:

1. The Auditors of the Company have carried out limited review of the above financial results for the quarter ended 30th June, 2007 in compliance with Clause 41 of the Listing Agreement. The results were reviewed by the Audit Committee in its meeting held on 31st July, 2007 and taken on record at the meeting of Board of Directors held on that date.
2. The aggregate of public share holding was 147,240,721 equity shares 12.92% as on 30th June, 2007 (147,122,743 equity shares 25.34% as on 30th June, 2006). During the period ended 30th June, 2006, the paid up Equity Share capital had increased from Rs.580.50 crores as on 30th June, 2006 to Rs.1139.81 crores on 10th July, 2006, pursuant to the Order of the Honourable High Court of Gujarat dated 17th June, 2006. Hence, the earning per share for the quarter ending 30th June, 2006 had been calculated based on the paid up Capital of Rs. 580.50 crores outstanding as on 30th June, 2006.
3. The Company is engaged in only one segment viz. Steel, hence there are no reportable segments as per Accounting Standard "AS-17".
4. The number of investors complaints received during the quarter, resolved and pending are:

Pending as at 01.04.2007	:	-
Received during the Quarter	:	280
Disposed off during the Quarter	:	280
Pending as at 30.06.2007	:	-
5. Finance cost (Net) for the quarter ended 30th June, 2007 is net of exchange gain of Rs. 113.70 crores arising on monetary items as against exchange loss of Rs. 30.47 crores during corresponding quarter ended 30th June, 2006 and exchange gain Rs. 50.28 crores for the year ended 31st March, 2007.
6. The auditor's qualification pertaining to deferred tax assets on the accounts of the Company for the year ended 31st March, 2007 have been adequately explained in the notes to the accounts as well in the previous such statement published under clause 41 of the listing agreement.
7. The figures have been regrouped / reclassified wherever necessary.

For Essar Steel Limited

Mumbai,
31st July, 2007

Robin Banerjee
Director Finance