



Unaudited Financial Results for the Period from 1st April, 2006 to 30th September, 2006

Rs. in crores

Particulars (1)	Quarter ended		Half year ended		Year ended
	(2)	(3)	(4)	(5)	(6)
	30.09.06 (unaudited)	30.09.05 (unaudited)	30.09.06 (unaudited)	30.09.05 (unaudited)	31.03.06 (audited)
Income from Operations	2,249.98	1,760.52	4,152.83	3,573.47	6,850.45
Less : Excise Duty	(170.73)	(176.20)	(354.49)	(338.89)	(667.87)
Net Sales	2,079.25	1,584.32	3,798.34	3,234.58	6,182.58
Other Income	2.33	4.98	3.47	7.61	208.14
	2,081.58	1,589.30	3,801.81	3,242.19	6,390.72
Expenditure					
(a) Materials Consumed & others	1,059.81	567.04	1,940.48	1,318.60	2,519.28
(b) Energy Cost	549.38	362.88	1,077.20	717.13	1,788.95
(c) Staff Cost	36.04	22.63	60.75	43.38	99.75
(d) Other expenditure	146.03	115.19	242.14	230.95	383.37
(e) (Increase) / Decrease in Finished Goods / Work-in-Progress	(241.84)	101.16	(447.41)	(27.13)	(89.74)
Gross profit before interest, depreciation and taxation (EBIDTA)	532.16	420.40	928.65	959.26	1,689.11
(a) Interest (net)	136.86	119.13	317.54	227.43	422.67
(b) Depreciation	149.01	101.04	298.20	199.21	482.10
(c) Prior period expenses and exceptional item (net)	19.07	51.12	22.81	51.12	88.36
Profit before Taxation	227.22	149.11	290.10	481.50	695.98
Provision for					
Fringe Benefit Tax	(1.13)	(0.92)	(1.91)	(1.62)	(5.10)
Current Tax	(25.49)	(12.54)	(31.33)	(20.91)	(8.35)
MAT Credit	32.55	-	32.55	-	-
Deferred Tax	(78.81)	(33.91)	(93.94)	(149.52)	(152.35)
Net Profit after tax	154.34	101.74	195.47	309.45	530.18
Paid-up Equity Share Capital	1,139.81	304.39	1,139.81	304.39	580.50
Reserves excluding revaluation reserves					1,246.18
Basic Earnings Per Share (not annualised) (in Rupees)	1.84	3.34	2.32	10.17	10.75
Diluted Earnings Per Share (not annualised) (in Rupees)	1.84	0.89	2.32	2.71	6.38

Notes:

- The above results were reviewed by the Audit Committee in its meeting held on 31st October, 2006 and taken on record at the meeting of Board of Directors held on that date.
- The aggregate of public share holding was 147,223,894 equity shares (12.92 %) as on 30th September, 2006. (130,336,047 equity shares (42.82%) as on 30th September, 2005).
- The Company is engaged in only one segment viz. Steel, hence there are no reportable segments as per Accounting Standard "AS-17"
- The auditors qualifications on the accounts of the Company for the year ended 31st March, 2006 have been adequately explained in the notes to the accounts as well as in such statement published under clause 41 of the listing agreement for the year ended 31.03.2006 .
- The number of investors complaints received during the quarter, resolved and pending are

Pending as at 01.07.2006	:	12
Received during the Quarter	:	301
Disposed off during the Quarter	:	311
Pending as at 30.09.2006	:	2
- The figures have been regrouped / reclassified wherever necessary. The figures for the quarter and half year ended 30th September, 2006 are not comparable with figures for the quarter and half year ended 30th September, 2005 as the figures for the current periods are after amalgamation of Hy-grade Pellets Ltd and Steel Corporation of Gujarat Ltd with the Company.

For Essar Steel Limited

V G Raghavan
Director (Finance)

Mumbai, 31st October, 2006