

For Immediate Release

Essar's Raniganj Coal Bed Methane Asset

in West Bengal crosses 0.5 million scmd production

Essar is the leading Coal Bed Methane Producer in India

Mumbai, April 6, 2015: Essar Oil, a leading player in India's Oil & Gas Sector, today said that gas production at its Raniganj Asset in West Bengal has crossed 0.5 million standard cubic metres per day (scmd), thereby making it India's largest CBM gas producer.

While nearly 100 wells have been already placed on gas production, additional 155 wells have been drilled and are at various stages of the hydrofracking-completion-dewatering cycle for further gas production ramp up. The Company has built a high quality infrastructure gas conditioning and compression stations, in-field pipelines of 120 kms. and last mile pipeline connectivity network to end users of approx. 60 kms. The Company anticipates completing the development program ahead of the May 2016 deadline as per the Contract with the Government of India. With a total investment outlay of approx. INR 4000 crores, the Raniganj Project is a first of its kind in India aimed to responsibly produce Methane Gas from the coal seams located 1000 meters or deeper below the ground. Gas from this Project shall be the feedstock to the priority fertiliser sector with the anchor customer being Matix Fertiliser & Chemicals Ltd., having the world's largest single stream plant for ammonia and urea located in West Bengal.

"With unity of conception, technology and team effort, we have been able to register a multifold increase in CBM production to 0.55 million scmd and expect to ramp up delivery to 1.2 million scmd over the next few months by bringing wells on production stream which are drilled and presently under completion and dewatering phase," said Manish Maheshwari, CEO-E&P, Essar Oil.

---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 1,400 Essar-branded oil retail outlets in various parts of India with another 600 in various stages of commissioning.

Media Contacts:

Rabin Ghosh, Corporate Communications, (Mumbai)

Tel: 91 99 301 36268, email: rabin.ghosh@essar.com

Essar Oil Limited:

CIN : L11100GJ1989PLC032116

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

T +91 261 6682 400 F +91 261 5585 645

www.essaroil.co.in