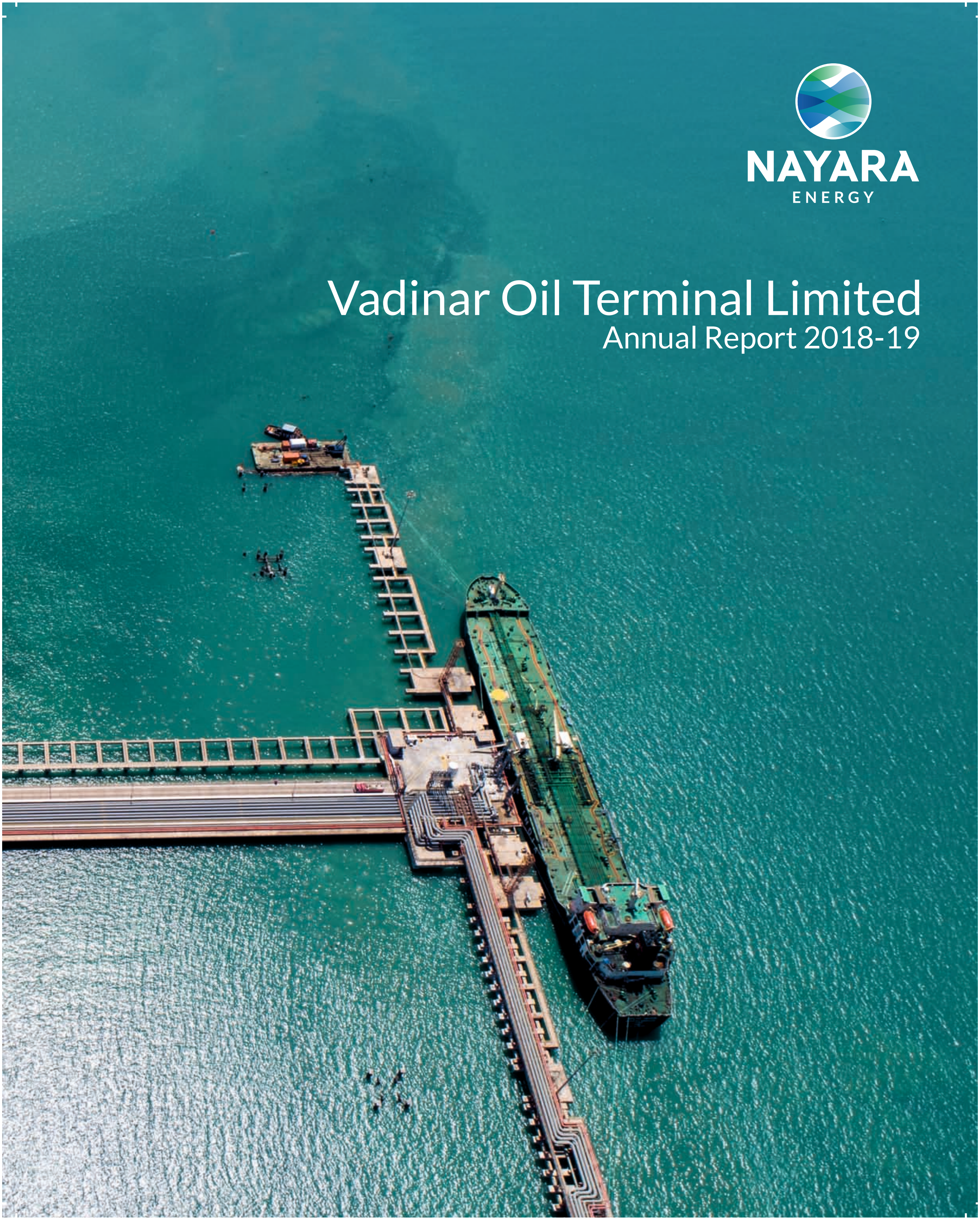
NAYARA
ENERGY

Vadinar Oil Terminal Limited

Annual Report 2018-19



Corporate Information

BOARD OF DIRECTORS (As on August 7, 2019)

Mr. C. Manoharan
Director

Mr. Anup Vikal
Director

Ms. Naina Lal Kidwai
Independent Director

Mr. Deepak Kapoor
Independent Director

Dr. P. K. Agrawal
Independent Director

Dr. M. L. Sharma
Independent Director

Ms. Gayathri S.
Director

Capt. Alok Kumar
Whole time Director

CHIEF FINANCIAL OFFICER
Mr. Yogesh Kumar Sharma

COMPANY SECRETARY
Mr. Nihar R. Avasare

AUDITORS
M/s. S. R. Batliboi & Co. LLP

BANKERS
Axis Bank Limited
Yes Bank Limited

REGISTRARS & TRANSFER AGENTS

Data Software Research Company Private Limited
19, Pycrofts Garden Road, Off. Haddows Road
Nungambakkam
Chennai 600006
Tel : +91 44 28213738, 2821 4487
Fax : +91 44 2814636
e-mail: volt@dsrc-cid.in

REGISTERED OFFICE
Nayara Energy Refinery Site
39 KM Stone
Okha Highway (SH-25)
Taluka Khambhalia
Dist: Devbhumi Dwarka – 361305 Gujarat
Tel : +91 2833 661444
Fax : +91 2833 662929
e-mail: votlcosec@nayaraenergy.com

CORPORATE OFFICE
5th Floor, Jet Airways Godrej BKC
Plot No. C- 68, G- Block
Bandra Kurla Complex, Bandra East
Mumbai 400 051, India.
Tel : +91 22 66121800
Fax : +91 22 26530264

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BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their twenty-sixth Annual Report together with the Audited Financial Statements for the year ended March 31, 2019.

FINANCIAL RESULTS

The summary of financial results of your Company for the year ended March 31, 2019 is furnished below:

(₹ in million)

Particulars	2018-19	2017-18
Revenue from operations	15,493	14,393
Total Revenue including other income	15,611	15,020
Earnings before finance cost, depreciation / amortization, exceptional items and tax (EBIDTA)	11,989	13,432
Profit before Exceptional Items and Tax	6,288	3,003
Exceptional items	-	1,279
Profit Before Tax	6,288	1,724
Tax	2,255	1,072
Net Profit after tax	4,033	652

OPERATIONS OF THE COMPANY

During the financial year, your Company handled 32.77 million metric tonnes (MMT) of crude and products and continued to serve its customer by handling various grades of crude and petroleum products at the Jetty, Single Point Mooring (SPM) and through Rail & Road. During the year, your Company achieved milestone of handling 1000 vessels at SPM for crude receipt since inception. Another achievement was handling of largest ever parcel of HSD (94.7 KT) at jetty, in October 2018.

During the year, 16.83 MMT of crude oil was handled at the SPM from 107 vessels with an average occupancy of 51%. The two berths handled 241 vessels with an aggregate 11.54 MMT cargo and achieved occupancy of 68%. The jetties were able to operate at higher than the designated capacity whenever the need arose.

Your Company has always focused on Quality, Health, Safety and Environment. The Company completed 12 years of safe operation on September 22, 2018 and registered 4571 Lost Time Injury (LTI) Free days as on March 31, 2019 for employees.

A mutual Aid agreement was signed by all the ports and terminals of south coast of Gulf of Kutch to enhance your Company's ability and response for Oil Spill related emergencies. During the year, successful annual audits were conducted for ISO 9001, 28000 and 29001 by ABS. Your Company was runner up for "Port /Terminal of the year for health, safety and environment" by Gujarat Star Awards.

During the year, inline inspection of 3X24" cross country product pipelines was carried out for health check of the pipelines. Planned Turnaround activities were undertaken to replace components of SPM system for reliability enhancement. Further various important measures were also undertaken for reliability enhancement of your Company's assets.

FINANCIAL PERFORMANCE

Your Company generated revenue from operations of ₹ 15,493 million for the financial year ended March 31, 2019, as compared to ₹ 14,393 million for the financial year ended March 31, 2018. The increase in revenue was mainly due to depreciation of exchange rate by approx. 8% in current financial year compared to previous financial year.

The Company earned a net profit of tax (PAT) of ₹ 4,033 million in the current financial year against ₹ 652 million in the preceding financing year, mainly due to higher finance cost and consideration of one time exceptional items taken in previous financial year.

Considering the accumulated losses incurred during the past financial years, the Board has not recommended any dividend for the financial year ended March 31, 2019. Further, no amounts are proposed to be transferred to the General Reserve.

FINANCIAL STATEMENTS

All numbers including comparative numbers for FY 2017-18 represented in financial statements are based on IND AS. The standalone financial statements for the financial year ended March 31, 2019 form part of the Annual Report.

The Company has not prepared consolidated financial statements as at March 31, 2019, as the Company does not hold any investment in subsidiaries, associates and joint ventures, except investment in a wholly owned subsidiary Enneagon Limited and an associate Coviva Energy Terminals Limited (formerly known as Vadinar Liquid Terminals Limited). Enneagon Limited has applied for liquidation and investments therein are completely impaired. Coviva Energy Terminals Limited is yet to commence its operations and does not have any significant assets, liabilities, income or expense. Accordingly, the profits, equity and cash flows on consolidation of both these entities with the Company would remain consistent with the standalone financial statements.

Further Nayara Energy Limited, holding company of the Company, would be consolidating Enneagon Limited and Coviva Energy Terminals Limited and the same will be placed before the shareholders of Nayara Energy Limited for approval. The consolidated financial statements of Nayara Energy will also be filed with Registrar of Companies.

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this Report.

HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

As on March 31, 2019, Nayara Energy Limited is the holding company of the Company. Nayara Energy Limited holds 97.63% of the total paid up share capital of the Company. In turn Rosneft Singapore Pte. Ltd., a subsidiary of PJSC Rosneft Oil Company holds 49.13% stake in the share capital of Nayara Energy Limited and another 49.13% stake in share capital of Nayara Energy Limited is held by Kesani Enterprises Company Limited, a consortium led by Trafigura Group and UCP Investment Group.

As on March 31, 2019, Enneagon Limited was wholly owned subsidiary and Coviva Energy Terminals Limited (formerly known as Vadinar Liquid Terminals Limited) was an associate company of your Company. The Company has commenced the liquidation process of Enneagon Limited in Mauritius.

RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the year were in ordinary course of business and on an arm's length basis. During the year under review, the Company did not enter into any related party transactions which require disclosure in form AOC-2.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee with the name of CSR, Safety and Sustainability Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee are in accordance with the Companies Act, 2013. As of March 31, 2019 the Committee had three members with Dr. Mohan Lal Sharma as Chairman of the Committee and Mr. C. Manoharan and Capt Alok Kumar as members of the Committee.

Your Company has also formulated a Corporate Social Responsibility Policy. Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) has been appended as Annexure A to this report.

The Company was not liable to incur any expenditure on CSR activities during the Financial Year 2018-19. The Board of Directors had voluntary approved a budget of ₹ 50 Lakh towards CSR activities to be spent during the Financial Year 2018-19. However, the Company could not incur any expenditure on account of the following reasons:

- The Company engaged subject expert agency to review its CSR strategy near the area of its operations. The agency is helping the business to finalize its strategy and also a 5 year operational plan for the region.
- New proposed programs would be implemented in FY 2019-20 which would ensure alignment of each program with the new operational plan and the revised strategy.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management

The Company documents and maintains updated risk registers pertaining to all its functions, and departments capturing the potential business risks, risk category, likelihood of risk occurrence, severity or impact of the risk, magnitude and manageability of the risks and risk response plans and/or internal control measures.

The Company effectively addresses its key risks by implementing appropriate and adequate risk response plans and/or internal control measures that brings down the risks to acceptable and manageable levels.

Audit Committee

As on March 31, 2019 and on the date of this report the Audit Committee of the Board comprised of 3 Non-Executive Directors, 2 of which are Independent. Dr. Pramod Kumar Agrawal acts as the Chairman of the Committee and Dr. Mohan Lal Sharma and Ms. Gayathri S. are the other members of the Committee. During the year ended March 31, 2019, all the recommendations of the Audit Committee were accepted by the Board.

Internal Control Framework

Your Company conducts its business with integrity and high standards of ethical behaviour and in compliance with the laws and regulations that govern its business. Your Company has a well-established framework of internal controls in its operations, including suitable monitoring procedures. In addition to an external audit, the financial and operating controls of your Company at various locations are reviewed by Internal Auditors, who report their observations to the Audit Committee of the Board.

Vigil Mechanism

Your Company has adopted a Whistle Blower Policy, as part of the vigil mechanism to provide appropriate avenues to the Directors and employees to report their genuine concerns which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The policy provides for adequate safeguards against victimization of persons who use the mechanism and has a process for providing direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

HUMAN RESOURCE

The Company recognizes that it is not only important to attract and retain the right talent; but also crucial to build capability thereby enabling leadership continuity and build succession management pool. The Company's Human Resource team is working in line with Human Resources practices of holding company, Nayara Energy Limited and all the employees are included for all common programs

& harmony activities conducted by Nayara Energy Limited. Vadinar Oil Terminal Limited saw very low attrition in key critical talent base. The strength of the manpower has resulted in most of the middle and junior management positions being filled through Internal Elevation, Internal movement and timely through talent acquisition.

The Company has formulated a policy on Prevention of Sexual Harassment at workplace and has also complied with the provisions of formulation of Internal Complaints Committee as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder. During the financial year no cases were filed under the above said Act.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

During the year ended March 31, 2019, Capt B. S. Kumar, ceased to be the Director of the Company on completion of his term as an Independent Director w.e.f. September 22, 2018. In his place, the Board of Directors appointed Dr. Pramod Kumar Agrawal as an Independent Director w.e.f. December 21, 2018 to hold office for a period of five years. His appointment as Director is subject to the approval of shareholders at the ensuing Annual General Meeting (AGM).

Further pursuant to the applicable provisions of the Companies Act, 2013, Ms. Gayathri S. is liable to retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. The Board of Directors recommends to the shareholders, the appointment of Dr. Pramod Kumar Agrawal as an Independent Director and re-appointment of Ms. Gayathri S. as Non-Executive Director of the Company.

The Board wishes to place on record its appreciation for the valuable services rendered by Capt B. S. Kumar during his tenure as an Independent Director of the Company.

The Company has received declarations of Independence as stipulated under Section 149(6) of the Companies Act, 2013 from the Independent Directors.

Performance evaluation of the Board

The Board carried out a formal evaluation of its performance, its Committees and Individual Directors for FY 2018 – 19. As the Board did not have a full time Chairman, the Directors could not carry out the performance evaluation of the Chairman. The Independent Directors evaluated performance of the Non-Independent Directors and the Board as a whole. Feedback from the individual Directors was sought based on a structured questionnaire covering, among others, Board and Committee composition, skills of Directors, quality and content of agenda, and performance of Directors at the meetings. Evaluation was carried out through circulation of a structured questionnaire based on the responses from all the Directors. The evaluation report was reviewed by the Independent Directors, the Nomination and Remuneration Committee and the Board of Directors.

Number of Meetings of the Board of Directors

During the year, the Board of Directors met 4 times on June 26, 2018, August 3, 2018, November 30, 2018 and December 28, 2018.

Policy on Appointment of Directors and Remuneration

The Board has adopted a policy for appointment and remuneration of Directors and criteria for appointment of senior management executives. The policy, inter-alia, includes the criteria and procedures for selection, identification and appointment of Directors, criteria for appointment of senior management executives, remuneration to Executive and Non-Executive Directors etc. The above policy is available on the website of the Holding Company at https://www.nayaraenergy.com/investors/information

Statement of Directors responsibilities

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013 and based on the information provided by the management, your Directors state that:

(i) In the preparation of the annual accounts for FY 2018-19, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) The Directors had selected such accounting policies, and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of FY 2018-19 and of the profit and loss of the Company for that period;

(iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The Directors had prepared the annual accounts for the year ended March 31, 2019 on a 'going concern' basis;

(v) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws, and that such systems were adequate and operating effectively.

Key Managerial Personnel

During FY 2018 – 19, the following executives were designated as Key Managerial Personnel under the Companies Act, 2013:

a. Capt. Alok Kumar - Whole time Director

b. Mr. Vinod Jain – Chief Financial Officer upto July 24, 2018

c. Mr. Yogesh Kumar Sharma – Chief Financial Officer w.e.f. August 3, 2018

d. Mr. Nihar Avasare – Company Secretary

AUDITORS AND AUDIT

Statutory Auditors

The shareholders had, at the twenty fourth Annual General Meeting held on September 29, 2017, approved appointment M/s S. R. Batliboi & Co. LLP, Chartered Accountants as Auditors of the Company for a period of five years.

The report given by M/s S. R. Batliboi & Co. LLP, on standalone financial statements of the Company form part of the Annual Report. There are no qualifications, reservations, adverse remarks or disclaimers given by the Auditors in their report. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Audit

The Board had appointed M/s Parikh Parekh & Associates, Practicing Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit for the year ended March 31, 2019. The Secretarial Audit Report for the year ended March 31, 2019 is annexed as Annexure - B to this Report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

OTHER DISCLOSURES

Annual Return

The Annual Return for the financial year ended March 31, 2018, filed with the Registrar of Companies after conclusion of the AGM held on September 14, 2018, has been placed on the website of the Holding Company and can be accessed at https://www.nayaraenergy.com/investors/information. An extract of the Annual Return as on March 31, 2019 in form MGT 9 is enclosed as Annexure - C and forms part of this Report.

Foreign Exchange Earnings & Outgo

1. Earned : ₹ Nil
2. Outgo : ₹ 43 million.

Particulars of loans given, investments made, guarantees given or security provided

The Company is providing infrastructural facilities in terms of Section 186 read with Schedule VI to the Companies Act, 2013 and hence is exempted from the provisions of Section 186 of the Companies Act, 2013.

General disclosures

Your Directors state that for the year ended March 31, 2019, no disclosure is required in respect of the following items and accordingly confirm as under:

- Your Company has fully complied with the provisions of Secretarial Standard 1 (SS 1) on Board/Committee meetings and Secretarial Standard 2 (SS 2) on the General meeting of Shareholders, issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.
- The Company has not accepted any deposits from the public in accordance with the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder. Accordingly the details prescribed under Rule 8(5) of the Companies (Accounts) Rules, 2014 are not applicable.
- The Executive Director did not receive any remuneration from the holding and/or subsidiary companies.
- The Company has neither revised the financial statements nor the report of Board of Directors.
- The Company has not issued equity shares with differential rights as to dividend, voting, or otherwise or sweat equity shares.
- No significant or material orders were passed by the Regulators or Courts or Tribunals, which impact the going concern status or Company's operations in future.
- The Company has not bought back any shares during the year.
- There were no instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013 and accordingly no such reporting was done by the Auditors of the Company.
- The particulars relating to conservation of energy, technology absorption are not applicable to the Company.
- Maintenance of cost records as specified by the Central Government under sub section 1 of Section 148 of the Companies Act, 2013, is not applicable to the Company.

APPRECIATION AND ACKNOWLEDGEMENTS

Your Directors thank the Financial Institutions and Banks, Deendayal Port Trust, Indian Coast Guard, other business associates, shareholders and employees for their continued support and co-operation.

For and on behalf of the Board

Anup Vikal	**Gayathri S.**
Director	Director
DIN: 03171808	DIN: 07115908

Mumbai
June 13, 2019

Annexure-A

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

   A brief outline of the CSR Policy of the Company is as under:

   CSR VISION

   The Company's vision is to be among the most respected organizations in India by doing what is right and rightful for the communities and nation at large.

   CSR MISSION

   Aspires to build a symbiotic relationship with its stakeholders and intends to make them equal partners in the process of nation building. We firmly believe that our role is to lay the path that is collaborative, progressive, inclusive and sustainable through our CSR programs. We also believe that technology and innovations can hasten the process of change and endeavour to support new and innovative models of development.

   CSR OBJECTIVES

   The objective of the CSR policy is to guide the planning, implementation and oversight mechanism of the CSR programs of the Company.

2. **The Composition of the CSR Committee**

   As of March 31, 2019 the CSR Committee titled as "CSR, Safety and Sustainability Committee" comprised of Dr. Mohan Lal Sharma, Independent Director and Chairman of the Committee and Mr. C. Manoharan and Capt Alok Kumar.

   The CSR Policy can be accessed on the website of the Holding Company at the link https://www.nayaraenergy.com/.

3. **Average net profits of the company for last three financial years -** ₹ (105.16) Crore

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)-** Nil

5. **Details of CSR spent during the financial year.**

   (a) Total amount to be spent for the financial year :- ₹ 50 Lakhs as per the budget approved by the Board of Directors

   (b) Amount unspent , if any; - ₹ 50 Lakhs to the approved budget and Nil as compared to the requirement for spend of 2% of the amount of average net profits for the last there financial years as started in para 4 above.

   (c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR Projects or activities identified	Sector in which the project is covered	Projects or programs 1. Local area or others 2. Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or program wise (Amount ₹ in Lacs)	Amount spent on the projects or programs Sub heads: 1. Direct expenditure on projects or programs 2. Overheads (Amount ₹ in Lacs)	Cumulative expenditure upto the reporting period (Amount ₹ in Lacs)	Amount spent direct or through implementing agency
1	Ensuring environmental sustainability	Clean Energy	Devbhumi Dwarka, Gujarat	25	0.0	0.0	NA
2	Support to Infrastructure Development work	Rural Development Projects	Devbhumi Dwarka, Gujarat	25	0.0	0.0	NA

(6) Reasons for shortfall in spent, if any – The reasons for shortfall are explained in the Board's report.

(7) Responsibility statement of the CSR Committee - The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

For and on behalf of the CSR, Safety and Sustainability Committee

Anup Vikal
Director
DIN: 03171808

Mohan Lal Sharma
Chairman of the CSR, Safety and Sustainability Committee
DIN: 02724685

Mumbai
June 13, 2019

Annexure-B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

Vadinar Oil Terminal Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vadinar Oil Terminal Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

 (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)

 (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)

 (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; (Not applicable to the Company during the audit period)

 (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

 (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)

 (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

 (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

 (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:

 a. The Explosives Act, 1864

 b. The Expolsive Substances Act, 1908

 c. Hazardous Waste (Management and Handling) Rules, 1989

 d. The Petroleum Act, 1934

 e. The Petroleum Rules, 1976

 f. The Static and Mobile Pressure Vessels (Unfired) Rules, 1981

 g. The Coastal Regulatory Zone Notification, 1991

 h. E-waste (M&H) Rules, 2011

 We have also examined compliance with the applicable clauses of the following:

 (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings which are generally complied with.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were generally carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events have occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh Parekh & Associates
Company Secretaries

Signature:
Place: Mumbai J.U. Poojari
Date: 13.06.2019 Partner

FSC No: 8102 CP No: 8187

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members

Vadinar Oil Terminal Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh Parekh & Associates
Company Secretaries

Signature:
Place: Mumbai J.U. Poojari
Date: 13.06.2019 Partner
FSC No: 8102 CP No: 8187

Annexure-C

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	**CIN**	U35111GJ1993PLC053434
2	**Registration Date**	June 22, 1993
3	**Name of the Company**	Vadinar Oil Terminal Limited
4	**Category / Sub-category of the Company**	Public Limited Company
5	**Address of the Registered office & contact details**	Nayara Energy Refinery Site, 39 K.M. Stone, Okha Highway (SH-25), Taluka Khambhalia Dist. Devbhumi Dwarka, Gujarat 381 305 Tel: +91-2833-661444, Fax: +91-2833-662929, Email:votlcosec@nayaraenergy.com
6	**Whether listed company**	No
7	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	M/s. Data Software Research Company Pvt. Ltd. Unit – Vadinar Oil Terminal Limited 19, Pycrofts Garden Road, Off Haddows Road Nungambakkam, Chennai 600 006 Phone : +91 44 2821 3738, 2821 4487, Fax : +91 44 2821 4636 E-mail : B.Rajaratnam@dsrc.co.in, volt@dsr-cid.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service*	% to Total Turnover of the Company
1	Owning and operations of Ports & Terminals	521 and 522	100

* As per National Industrial Classification 2008 – Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Nayara Energy Limited (formerly Essar Oil Limited) Khambhalia, Post Box No. 24, District Devbhumi Dwarka, Gujarat - 361305	U11100GJ1989PLC032116	Holding Company	97.63	2(46)
2	Enneagon Limited 33, Edith Cavell Street, Port Louis, 11324, Mauritius	NA	Subsidiary Company	100	2(87)
3	Coviva Energy Terminals Limited (Formerly Vadinar Liquid Terminals Limited) Khambhalia, Post Box No. 24, District Devbhumi Dwarka, Gujarat - 361305	U74140GJ2015PLC082393	Associate Company	25	2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	314,323,454	-	314,323,454	97.63	314,323,454	-	314,323,454	97.63	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**314,323,454**	**-**	**314,323,454**	**97.63**	**314,323,454**	**-**	**314,323,454**	**97.63**	0.00
-									
(2) Foreign					-	-	-		
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	**314,323,454**	**-**	**314,323,454**	**97.63**	**314,323,454**	**-**	**314,323,454**	**97.63**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2,485	24,036	26,521	0.01	2,485	24,036	26,521	0.01	0.00
b) Banks / FI	2,050	36,624	38,674	0.01	2,050	36,624	38,674	0.01	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	24	24	0.00	-	24	24	0.00	0.00
g) FIIs	-	9,221	9,221	0.00	-	9,221	9,221	0.00	0.00
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	4,535	69,905	74,440	0.02	4,535	69,905	74,440	0.02	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	197,161	71,277	268,438	0.08	195,648	72,589	268,237	0.08	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	3,785,300	3,100,989	6,886,289	2.14	3,850,932	3,025,911	6,876,843	2.14	0.00
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	80,262	64,584	144,846	0.04	80,262	64,584	144,846	0.04	0.00
c) Others (specify)	-	-	-	-	-	-	-	-	-
i) NRI Rep	61,371	134,487	195,858	0.06	60,033	133,461	193,494	0.06	0.00
ii) NRI Non-Rept	53,750	-	53,750	0.02	65,761	-	65,761	0.02	0.00
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) Foreign National	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	4,177,844	3,371,337	7,549,181	2.34	4,252,636	3,296,545	7,549,181	2.34	0.00
Total Public (B)	4,182,379	3,441,242	7,623,621	2.37	4,257,171	3,366,450	7,623,621	2.37	0.00
C. Shares held by Custodian for GDRs & ADRs									-
Grand Total (A+B+C)	318,505,833	3,441,242	321,947,075	100.00	318,580,625	3,366,450	321,947,075	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Nayara Energy Limited	314,323,454	97.63	97.63	314,323,454	97.63	97.63	0.00
	Total	**314,323,454**	**97.63**	**97.63**	**314,323,454**	**97.63**	**97.63**	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year as on April 1, 2018		Date	Reason	Increase / Decrease in shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
No change in the Promoters Shareholding during FY 2018-19									

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Increase during the year	Decrease during the year	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1	Lal Tolani	52,363	0.02	-	-	52,363	0.02
2	R J Shares and Securities Private Limited	21,403	0.01	-	-	21,403	0.01
3	Sushil Kumar Gupta	21,391	0.01	-	-	21,391	0.01
4	Ritu Jain	20,100	0.01	-	-	20,100	0.01
5	Bank of India- in house account	19,018	0.01	-	-	19,018	0.01
6	Ripon Estates Ltd	18,000	0.01	-	-	18,000	0.01
7	R P David	18,000	0.01	-	-	18,000	0.01
8	Shrinivas Vasudeva Dempo	18,000	0.01	-	-	18,000	0.01
9	K D Parakh	18,000	0.01	-	-	18,000	0.01
10	Satyavati R Ruia	16,630	0.01	-	-	16,630	0.01

Note: Shareholding in folios having common PAN no. have been clubbed.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director and Key Managerial Personnel	Shareholding at the beginning of the year		Increase during the year	Decrease during the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares			No. of shares	% of total shares
		Nil					

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(₹ in Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	34,840.00	-	-	34,840.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**34,840.00**	**-**	**-**	**34,840.00**
Change in Indebtedness during the financial year		-		
Addition	9,000.00	-	-	9,000.00
Reduction	(14,341.00)	-	-	(14,341.00)
Net Change	(5,341.00)	-	-	(5,341.00)
Indebtedness at the end of the financial year				
i) Principal Amount	29,499.00	-	-	29,499.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**29,499.00**	**-**	**-**	**29,499.00**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	
		Capt Alok Kumar	Total Amount (Amount in ₹)
		Whole time Director	
1	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,245,168	9,245,168
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	**Stock Option**	-	-
3	**Sweat Equity**	-	-
4	**Commission**	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	**Others, please specify**	-	-
	Contribution to provident fund	329,754	329,754
	Total	**9,574,922**	**9,574,922**
	Ceiling as per the Act	5% of net profit	

NAYARA ENERGY

B. Remuneration to other Directors

Sr. No.	Name	Commission	Sitting Fees	Total Compensation (Amount in ₹)
A)	**Non Executive Directors**			
1	Mr. C. Manoharan	-	-	-
2	Ms. Gayathri S.	-	-	-
3	Mr. Anup Vikal	-	-	-
	Total (A)	**-**	**-**	**-**
B)	**Independent Directors**			
4	Capt B. S. Kumar	-	180,000	180,000
5	Dr. Mohan Lal Sharma	-	310,000	310,000
6	Dr. Pramod Kumar Agrawal	-	100,000	100,000
	Total (B)	**-**	**590,000**	**590,000**
	Grand Total (A+B)	**-**	**590,000**	**590,000**
	Overall Ceiling as per the Companies Act, 2013	1% of net profit	₹ 1,00,000 per meeting	

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Amount in ₹)
		Mr. Vinod Jain*	**Mr. Yogesh Kumar Sharma***	**Mr. Nihar Avasare**	
	Designation	**CFO**	**CFO**	**CS**	
1	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
		-	-	-	-
2	**Stock Option**	-	-	-	-
3	**Sweat Equity**	-	-	-	-
4	**Commission**	-	-	-	
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	**Others, please specify:**	-	-	-	
	Contribution to Provident Fund	-	-	-	-
	Performance Bonus	-	-	-	-
	Total	**-**	**-**	**-**	**-**

*Mr. Vinod Jain ceased to be CFO w.e.f. July 24, 2018 and Mr. Yogesh Kumar Sharma was appointed as CFO w.e.f. August 3, 2018.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NOT APPLICABLE

For and on behalf of the Board

Anup Vikal
Director
DIN: 03171808

Gayathri S
Director
DIN:07115908

Mumbai
June 13, 2019

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the
Members of Vadinar Oil Terminal Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Vadinar Oil Terminal Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit, including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Annual report is expected to be made available to us after the date of this auditor's report. When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 22 and 24 to the Standalone Financial Statements;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Naman Agarwal
Partner
Membership Number: 502405
Place of Signature: Gurugram
Date: June 13, 2019

ANNEXURE 1

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Vadinar Oil Terminal Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the Company have been physically verified by the management according to a phased program designed to cover all the assets once in three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, entire fixed assets were physically verified by the management during the previous year itself and hence no further physical verification was performed during the year. No material discrepancies between the book records and the physical assets had been noticed.

c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the central government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the services of the company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to employees' state insurance, sales tax, duty of excise and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance, sales tax, duty of excise and value added tax are not applicable to the Company

(c) According to the records of the Company the dues of income tax, service tax, customs duty, and cess which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Mn)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	829	AY 2015-16 AY 2016-17	Rectification filed u/s 154

The provisions relating to sales tax, duty of excise and value added tax are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or government or dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised monies by way of initial public offer/ further public offer and debt instruments and hence, not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Naman Agarwal
Partner
Membership Number: 502405
Place of Signature: Gurugram
Date: June 13, 2019

ANNEXURE 2

(referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Vadinar Oil Terminal Limited ("the Company"), as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Naman Agarwal
Partner
Membership Number: 502405
Place of Signature: Gurugram
Date: June 13, 2019

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2019

(₹ in million)

Particulars		Notes	As at March 31, 2019	As at March 31, 2018
	ASSETS			
1)	**Non-current assets**			
	(a) Property, plant and equipment	6	41,275	42,474
	(b) Capital work-in-progress		62	793
	(c) Other Intangible assets	6	2	-
	(d) Financial assets			
	(i) Investments	7	0	0
	(ii) Other financial assets	8	132	0
	(e) Other non-current assets	10	6	13
	(f) Non-current tax assets (net)	11	1,891	952
2)	**Current assets**			
	(a) Inventories	12	11	46
	(b) Financial assets			
	(i) Investments	13	-	-
	(ii) Trade receivables	14	57	496
	(iii) Cash and cash equivalents	15	2,280	260
	(iv) Bank balances other than (iii) above	16	-	99
	(v) Other financial assets	17	184	257
	(c) Other current assets	18	283	324
	Total Assets		**46,183**	**45,714**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity share capital	19	3,219	3,219
	(b) Other equity	20	3,798	(233)
	LIABILITIES			
1)	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	21	28,896	34,495
	(ii) Other financial liabilities	22	2,766	-
	(b) Deferred tax liabilities (net)	9	5,371	4,084
2)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables	23		
	(A) Total Outstanding dues of micro and small enterprises		1	4
	(B) Total Outstanding dues of creditors other than micro and small enterprises		44	211
	(ii) Other financial liabilities	24	1,914	3,644
	(b) Other current liabilities	25	159	275
	(c) Provisions	26	15	11
	(d) Current tax liabilities (net)	27	-	4
	Total equity and liabilities		**46,183**	**45,714**

See accompanying notes to the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Naman Agarwal**
Partner
Membership No. 502405

Gurugram, June 13, 2019

For and on behalf of the Board of Directors

Anup Vikal
Director
DIN:03171808

Gayathri S
Director
DIN:07115908

Yogesh Kumar Sharma
Chief Financial Officer
Mumbai, June 13, 2019

Nihar Avasare
Company Secretary
Mumbai, June 13, 2019

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

(₹ in million)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	28	15,493	14,393
Other income	29	118	627
Total Income		**15,611**	**15,020**
Expenses			
Operating expenses	30	849	792
Employee benefits expense	31	90	101
Other expenses	32	2,683	695
Depreciation and amortisation expense	6	2,404	2,362
Finance costs	33	3,297	8,067
Total expenses		**9,323**	**12,017**
Profit before exceptional items and tax		**6,288**	**3,003**
Exceptional items	34	-	1,279
Profit before tax		**6,288**	**1,724**
Tax expense:	**9**		
Current tax expenses		967	-
Deferred tax expenses		1,288	1,072
Total tax expenses		**2,255**	**1,072**
Profit for the year		**4,033**	**652**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		(3)	(4)
(b)Income tax relating to items that will not be reclassified to profit or loss		1	1
Other comprehensive income / (loss) for the year, net of tax		**(2)**	**(3)**
Total Comprehensive Income for the year (comprising profit and Other Comprehensive Income for the year)		**4,031**	**649**
Basic and diluted Earnings per share in ₹ (Face value ₹ 10 per share)			
Basic (in ₹)	41	12.53	2.03
Diluted (in ₹)	41	12.53	2.03

See accompanying notes to the standalone financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Naman Agarwal**
Partner
Membership No. 502405

Gurugram, June 13, 2019

For and on behalf of the Board of Directors

Anup Vikal
Director
DIN:03171808

Gayathri S
Director
DIN:07115908

Yogesh Kumar Sharma
Chief Financial Officer

Mumbai, June 13, 2019

Nihar Avasare
Company Secretary

Mumbai, June 13, 2019

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH, 31 2019

(₹ in million)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**6,288**	**1,724**
	Adjustment for:		
	Loss / (gain) on derivative liability (net)	2,503	(341)
	Depreciation and amortisation expense	2,404	2,362
	Loss on discard of Property, plant & equipment	0	2
	Interest expenses	3,297	8,067
	Interest Income on bank deposits & Other	(91)	(63)
	Gain on sale of investment measured at FVTPL	(4)	-
	Loss on sale of investments	-	1,279
	Unrealised foreign exchange differences (net)	0	-
	Provision for losses on Investments in subsidiary	13	-
	Reversal of expected credit loss	-	(141)
	Claim receivable written off	0	424
	Capital creditors written back	(0)	(8)
	Operating profit before working capital changes	**14,410**	**13,305**
	Adjustment for working capital changes:		
	Decrease in inventories	35	11
	Decrease in Trade and other receivables	567	6,618
	(Decrease) in Trade and other payables	(2,142)	(11,381)
	Cash generated from operations	**12,870**	**8,553**
	Income taxes paid (net)	(1,910)	(269)
	Net cash generated from operating activities (A)	**10,960**	**8,284**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payments for Property, plant and equipment including CWIP	(337)	(641)
	Refund of Inter-corporate deposits	-	205
	Bank deposits made	(33)	(99)
	Interest received on bank deposits	78	63
	Sale of investment measured at FVTPL (net)	4	-
	Investment in equity shares of a subsidiary	(13)	-
	Proceeds from surrender of shares by subsidiary	-	29,053
	Proceeds from disposal of investments held for sale	-	0
	Net cash (used in)/ generated from investing activities (B)	**(301)**	**28,581**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH, 31 2019

(₹ in million)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowings	9,000	35,000
	Repayment of long term borrowings	(14,159)	(63,776)
	Loans received from holding company	-	4,271
	Loans repaid to holding company	-	(4,271)
	Finance cost paid	(3,480)	(7,857)
	Net cash (used in) financing activities (C)	**(8,639)**	**(36,633)**
	Net increase in cash and cash equivalents (A+B+C)	2,020	232
	Cash and cash equivalents at the beginning of the year	260	28
	Cash and Cash equivalent at the end of the year (Refer note 15)	**2,280**	**260**

1. In previous year the company has issued 7,54,876 number of equity shares of ₹10 each at a premium of ₹ 309 per share against all 2800 numbers of foreign currency convertible bonds, which is a non-cash transaction.
2. The above cash flow from operating activities has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS)7- Statement of Cash Flows.
3. Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities :

Particulars	As at March 31, 2018	Cash Changes	Non-cash changes	As at March 31, 2019
Long term Borrowings including current maturities classified in other financial liabilities	34,840	(5,159)	(182)	29,499

Particulars	As at March 31, 2017	Cash changes	Non-cash changes	As at March 31, 2018
Long term Borrowings including current maturities classified in other financial liabilities	59,736	(25,466)	570	34,840
Liability towards additional cost on debt restructuring classified in other financial liabilities	3,638	(3,638)	-	-

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Naman Agarwal**
Partner
Membership No. 502405

Gurugram, June 13, 2019

For and on behalf of the Board of Directors

Anup Vikal
Director
DIN:03171808

Gayathri S
Director
DIN:07115908

Yogesh Kumar Sharma
Chief Financial Officer

Mumbai, June 13, 2019

Nihar Avasare
Company Secretary

Mumbai, June 13, 2019

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED MARCH 31, 2019

a. Equity share capit

(₹ in million)

Particulars	Amount
Balance as at March 31, 2018	**3,219**
Issue of equity shares	-
Balance as at March 31, 2019	**3,219**

Particulars	Amount
Balance as at March 31, 2017	**3,211**
Issue of equity shares upon conversion of Foreign currency convertible bonds into equity *	8
Balance as at March 31, 2018	**3,219**

*** During the previous financial year, the Company has issued 7,54,876 number of equity shares of ₹ 10 each, fully paid up, at premimum of ₹ 309 per share as a consideration for conversion of 2800 number of foreign Currency Convertiable bonds.**

b. Other equity

(₹ in million)

Particulars	Capital reserve			Equity component of compound financial instruments	Retained earnings	Securities Premium	Total
	On common control business combination	On cancellation and fresh issue of equity share capital	On convesrion of FCCB into Equity				
Balance as at April 01, 2017	**34**	**7,250**	**-**	**30**	**(8,517)**	**-**	**(1,203)**
Profit for the year	-	-	-	-	652	-	652
Other comprehensive loss for the year, net of income tax	-	-	-	-	(3)	-	(3)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**649**	**-**	**649**
- Securities Premium on Foreign Currency Convertible Bonds conversion into Equity	-	-		-	-	233	233
- Capital Reserve on conversion of Foreign Currency Convertible Bonds into Equity	-	-	88	-	-	-	88
- Effect of Elimination of Equity Component on conversion of Foreign Currency Convertible Bonds into Equity	-	-		(30)	30	-	-

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED MARCH 31, 2019

(₹ in million)

Particulars	Capital reserve			Equity component of compound financial instruments	Retained earnings	Securities Premium	Total
	On common control business combination	On cancellation and fresh issue of equity share capital	On convesrion of FCCB into Equity				
Balance as at April 01, 2018	**34**	**7,250**	**88**	**-**	**(7,838)**	**233**	**(233)**
Profit for the year	-	-	-	-	4,033	-	4,033
Other comprehensive loss for the year, net of income tax	-	-	-	-	(2)	-	(2)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**4,031**	**-**	**4,031**
Balance as at March 31, 2019	**34**	**7,250**	**88**	**-**	**(3,807)**	**233**	**3,798**

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Naman Agarwal**
Partner
Membership No. 502405

Gurugram, June 13, 2019

For and on behalf of the Board of Directors

Anup Vikal
Director
DIN:03171808

Gayathri S
Director
DIN:07115908

Yogesh Kumar Sharma
Chief Financial Officer
Mumbai, June 13, 2019

Nihar Avasare
Company Secretary
Mumbai, June 13, 2019

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

1. Corporate information

Vadinar Oil Terminal Limited (the "Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 (since replaced by the Companies Act, 2013) with its registered office located at Nayara Energy Refinery Site, 39 KM Stone, Okha Highway (SH-25), Khambhalia, District: Devbhumi Dwarka, Gujarat - 361 305, India. The principal place of business of the Company is located at Vadinar, Gujarat.

The Company is primarily engaged in the business of providing services of storage and handling crude oil and petroleum products. The Company has an integrated oil terminal situated at Vadinar, Gujarat. It has capacity of 58 MMTPA and handles crude oil and petroleum products. The facilities consist of an off-shore single point mooring (SPM), two jetties for handling liquid petroleum products, tanks for storage of crude oil and petroleum products and rail and road gantries for dispatch of petroleum products.

The financial statements of the Company for the financial year ended March 31, 2019 were approved for issue in accordance with the resolution of the Board of Directors on June 13, 2019.

2. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS'), prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements are prepared under the accrual basis and historical cost measurement, except for certain financial instruments (refer accounting policy on financial instruments), which are measured at fair values. The standalone financial statements provide comparative information in respect of the previous period. The financial statements are presented in Indian National Rupee (INR / ₹) which is the functional currency of the Company, and all values are rounded to the nearest million, except where otherwise indicated. All amounts individually less than ₹ 0.5 million have been reported as "0".

3. Summary of significant accounting policies

A. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. The Company has also disclosed fair value of financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

B. Property, Plant and Equipment

Property, Plant and Equipment (PPE) is recorded at cost of acquisition less accumulated depreciation and impairment loss, if any. Capital work in progress is stated at cost, net of accumulated impairment losses, if any.

Cost of acquisition comprises of all costs incurred to bring the assets to their present location and working condition up to the date the assets are ready for their intended use. Cost also includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when each major cost including Turnaround cost and major maintenance and inspection cost is performed, its cost is recognised in the carrying amount of the item of PPE if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss during the period in which they are incurred.

Depreciation

Depreciation on PPE is provided, pro-rata for the period of use, by the straight line method, as specified in the Schedule II to the Companies Act, 2013 except in respect of plant and machinery. The estimate of the useful life of these assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of items of PPE is mentioned below:

Particulars	Estimated useful life (in years)
Buildings and civil structure	3-30
Plant and machinery	10-30
Furniture and fixtures	3-10
Office equipment	3-5
Marine structures and plant and equipment to be handed over under an Agreement with the Deendayal Port Trust	20
Roads	5-10

De-recognition

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

C. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period, and treated as change in estimate, if any change is required.

The Company has estimated the useful life of software and licenses ranging from 3 - 5 years from the date of acquisition and amortises the same over the said period on a straight line basis.

De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

D. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

Impairment losses of continuing operations are recognised in the Statement of Profit and Loss.

An assessment is made for assets at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

E. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease, transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease expenses and lease income are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

F. Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventories comprise of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories are determined on a weighted average basis.

G. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue which include cargo handling and storage services is recognized as per proportionate completion method based on services completed till the reporting date.

H. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense and asset, it is recognised as income as and when the underlying conditions are complied with.

I. Retirement and other employee benefits

Payments to defined contribution plans are recognised as expense when employees have rendered services entitling them to the contributions.

The Company determines the present value of the defined benefit obligation and fair value of plan assets. The net liability or assets represents the deficit or surplus in the Company's defined benefit plans. (The surplus is limited to the present value of economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans). The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through the Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in the Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

J. Foreign currencies

The Company's financial statements are presented in INR / ₹, which is also the Company's functional currency.

<u>Transaction and balances</u>

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

Exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognized in the financial statements for the financial year ended March 31, 2016 prepared under previous GAAP, are capitalized as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary item, whichever is earlier and charged to the Statement of Profit and Loss on annual basis. The un-amortised exchange difference is carried under other equity as "Foreign Currency Monetary Item Translation Difference Account" net of tax effect thereon, where applicable. Exchange difference arising on settlement / restatement of other items are charged to the Statement of Profit and Loss.

K. Investment in subsidiaries and associates:

Equity investments in subsidiaries and associates are shown at cost less impairment, if any. The Company tests these investments for impairment in accordance with the policy applicable to 'Impairment of non-financial assets'. Where the carrying amount of an investment or CGU to which the investment relates is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in the Statement of Profit and Loss.

Dividends from a subsidiary or an associate are recognised when the Company's right to receive the dividend is established. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

L. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments comprise of financial assets and financial liabilities. Financial assets primarily comprise of loans and advances, deposits, trade receivables, and cash and cash equivalents. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments. Derivatives can be financial assets or financial liabilities depending on whether value is positive or negative, respectively.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

(i) Financial Assets

a) Initial Recognition and measurement

The Company initially recognises loans and advances, deposits and debts on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset is initially measured at fair value plus / minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification of financial assets

On initial recognition, a financial asset is classified into one of the following categories:

- Financial assets other than equity investment at amortised cost
- Financial assets other than equity investment at fair value through other comprehensive income (FVTOCI)
- Financial assets other than equity investment at fair value through profit or loss (FVTPL)

<u>Financial assets other than equity investment measured at amortised cost</u>

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

<u>Financial assets other than equity investment at FVTOCI</u>

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not designated at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss.

<u>Financial assets other than equity investment at FVTPL</u>

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FVTPL is a residual category for financial assets. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) Equity Investments

All equity investments within the scope of Ind AS 109 are measured at fair value with value changes recognised in the Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in the OCI.

d) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in the OCI and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

e) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables, the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12-month Expected Credit Loss to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime Expected Credit Loss is used.

f) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial liabilities / debt and equity instruments

a) Classification as financial liabilities / debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument in the Ind AS 32.

b) Financial liabilities / debt

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings including payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, plus directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

c) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

d) Financial Liabilities:

The Company does not have any financial liabilities, except which is used to minimise accounting mismatch, to be classified as at FVTPL. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

e) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the new liability recognised plus consideration paid or payable is recognised in the Statement of Profit and Loss.

M. Derivative financial instruments

(i) Initial recognition and subsequent measurement of Derivative and embedded derivatives financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks. These derivatives include foreign exchange forward contracts, foreign exchange options,

All derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss or otherwise depends on the nature of the hedge item.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 'Financial Instruments' are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

N. Borrowing Costs

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

O. Taxes

(i) Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in the OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority on the same taxable entity.

(ii) Goods and service tax

Expenses and assets are recognised net of the amount of Goods and service tax, except:

- When the Goods and service tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of Goods and service tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

P. Provisions

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Q. Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

R. Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information allows a better understanding of the underlying performance of the business in the year and facilitates more appropriate comparison with prior periods. Exceptional items are adjusted in arriving at profit before tax.

4. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses and accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Critical accounting judgements

In the process of applying the Company's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determination of functional currency

The management makes judgements in determining the functional currency based on economic substance of the transactions relevant to the Company. In concluding that Indian National Rupee is the functional currency, the management considered (i) the currency that mainly influences the sales prices for goods and services, the labour, material and other costs of providing goods and services, and (ii) the effect of the competitive forces and regulations of the country which mainly determine the sales prices of the goods and services. As no single currency was clearly dominant, the management also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained. The management concludes that INR / ₹ is the functional currency of the Company.

(ii) Impairment of Investment

The investment in associates and subsidiaries are tested for impairment in accordance with provisions applicable to impairment of non-financial assets. Generally these investments are tested for impairment on an individual basis. However, if the individual investments are not capable of generating cash flows independently being part of cash generating units of the Company, then the same are tested for impairment as a part of cash generating unit of the Company. This involves significant judgement in terms of how the individual cash generating unit is contributing towards generation of cash flows of the Company.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Income Taxes

Deferred tax assets (including MAT recoverable) are recognized for unused tax losses and tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The management has made a significant judgment, based on counsel's opinion, about pattern of utilization of brought forward book losses and depreciation for the purpose of computation of Minimum Alternative Tax. Further details related to Deferred Taxes are given in Note 9.

(ii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalizing or cannot be quantified reliably are treated as contingent liabilities. Among other matters, such determination require involvement of legal and other subject matter experts. Depending on materiality, the Company may involve internal and / or external experts to make such assessment. Contingent liabilities are disclosed in the Notes to the financial statements but are not recognized.

(iii) Fair value measurements of financial instruments

When the fair values of financial assets or financial liabilities recognised or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 38 for further disclosures.

5. Changes in accounting policies and Standards issued but not yet effective

i. With effect from April 1, 2018, Ind AS 115 Revenue from Contracts with Customers supersedes Ind AS 18 Revenue and related interpretations. Ind AS 115 applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The Company has adopted Ind AS 115 using the modified retrospective approach / cumulative catch-up transition method and hereby applied it to the contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

ii. However, the effect on adoption of Ind AS 115 is immaterial, except additional presentation and disclosures in the financial statements.

The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Company is primarily engaged in the business of providing services of storage and handling crude oil and petroleum products. Given below are the key aspects related to Ind AS 115 adoption and its transitional impact:

(a) Crude and petroleum product storage and handling services:

The Company's contract with customer for cargo handling and storage services include one performance obligation. The Company has concluded that revenue from cargo handling and storage services should be recognised as per proportionate completion method, generally on services completed till the reporting date.

(b) Presentation and disclosure requirements

As required for the financial statements, the Company disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Refer to Note 28 for the disclosure on disaggregated revenue.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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Overall, the impact if the Company would have continued to apply the erstwhile Ind AS 18 - Revenue instead of Ind AS 115 - Revenue from Contract with Customers would have been immaterial on the financials statements of the Company for the period ended and as of March 31, 2019.

Revenue includes revenue from Contract with Customer ₹ 15,493 million (₹ 14,393 million for the period ended March 31, 2018)

iii. In addition, the below amendments have also became effective for the Company from the financial year beginning April 1, 2018. However, the management has evaluated and determined that the adoption of these amendments will not have any material impact on these financial statements since there are no such transactions or the Company's existing policies are aligned to these amendments:

a. Amendment to Ind AS 12 Income Taxes – regarding recognition of deferred tax assets on unrealised losses

b. Applying Appendix B of Ind AS 21 The Effects of Changes in Foreign Exchange Rates

c. Amendment to Ind AS 28 Investments in Associates and Joint Ventures

d. Amendment to Ind AS 40 Investment Property - regarding transfer of investment property

e. Amendment to Ind AS 112 Disclosure of Interests in Other Entities – regarding disclosure requirements

iv. Standards issued but not yet effective

<u>Ind AS 116 – Leases</u>

The new lease standard requires lessees to recognize assets and liabilities for most leases on their balance sheets. Lessees applying Ind AS 116 will have a single accounting model for all leases, with certain exemptions. Lessor accounting is substantially unchanged. The new standard is applicable from the financial year beginning April 1, 2019, with limited early application permitted. The Company has established an implementation team to implement Ind AS 116 related to lease accounting and it continues to evaluate the changes to accounting system and processes, and additional disclosures requirements that may be necessary.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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6 Property, Plant and Equipment (₹ in million)

Description of the assets	Gross block (I)				Depreciation/Amortisation(II)				Net block (III) = (I - II)
	As at April 01, 2018	Additions	Deductions	As at March 31, 2019	As at April 01, 2018	During the year	Deductions	As at March 31, 2019	As at March 31,2019
(A) Property, Plant & Equipment									
Land	0	-	-	0	-	-	-	-	0
Building & Civil Structure (including marine structure)	5,028	8	-	5,036	355	353	-	708	4,328
Plant and Machinery	39,809	1,197	1	41,005	2,012	2,050	0	4,062	36,943
Furniture and fixtures	3	-	-	3	2	1	-	3	-
Office equipments	5	1	0	6	2	-	-	2	4
Total Property, Plant & Equipment	**44,845**	**1,206**	**1**	**46,050**	**2,371**	**2,404**	**0**	**4,775**	**41,275**
(B) Other intangible assets									
IT - Software	-	2	-	2	-	0	-	0	2
Total other intangible assets	**-**	**2**	**-**	**2**	**-**	**0**	**-**	**0**	**2**
Total Assets (A+B)	**44,845**	**1,208**	**1**	**46,052**	**2,371**	**2,404**	**0**	**4,775**	**41,277**

Description of the assets	Gross block (I)				Depreciation (II)				Net block (III) = (I - II)
	As at April 01, 2017	Additions	Deductions	As at March 31,2018	As at April 01, 2017	During the year	Deductions	As at March 31,2018	As at March 31,2018
(A) Property, Plant & Equipment									
Land	0	-	-	0	-	-	-	-	0
Building & Civil Structure (including marine structure)	5,028		-	5,028	1	354	-	355	4,673
Plant and equipment	39,533	276	-	39,809	6	2,006	-	2,012	37,797
Furniture and fixtures	5	-	2	3	2	1	1	2	1
Office equipments	5	-	-	5	1	1	0	2	3
Total Property, Plant & Equipment	**44,571**	**276**	**2**	**44,845**	**10**	**2,362**	**1**	**2,371**	**42,474**

for details of assets pledge as security, refer borrowings note 21.

Notes:

(a) Entire building & civil structure and plant and machinery has been given on operating lease to Nayara Energy Limited {refer note 35(ii)}.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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7 Investments (non-current) (Unquoted) (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Investment in equity shares of subsidiary - At cost		
Enneagon Limited - Subsidiary	-	0
(as at March 31,2019: NIL; as at March 31, 2018: 1) equity shares of USD. 1/- each		
Investment in equity shares of associate - At cost		
Coviva Energy Terminals Limited (formerly known as Vadinar Liquid Terminals Limited) - Associate	0	0
(as at March 31,2019: 12,500; as at March 31, 2018: 12,500) equity shares of ₹ 10/- each fully paid		
Total	**0**	**0**
Aggregate carrying value of unquoted investments	**0**	**0**

8 Other financial assets (non-current)

(Unsecured and considered good, unless otherwise stated) (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Margin money with bank - In time deposits with maturity of more than 12 months*	132	0
* mainly placed as margin for guarantees obtained from banks and to earn interest at the respective short-term deposit rates.		
Total	**132**	**0**

Deferred tax liabilities (net)

(a) Income tax expense (₹ in million)

Particulars	**Year ended March 31, 2019**	**Year ended March 31, 2018**
Current tax	967	-
Deferred tax	1,288	1,072
Total tax expense charged to statement of profit and loss	**2,255**	**1,072**
Deferred tax reversal on other comprehensive loss	**(1)**	**(1)**

(b) The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	**Year ended March 31, 2019**	**Year ended| March 31, 2018**
Profit before tax for the year	6,288	1,724
Statutory tax rate	34.944%	34.944%
Expected income tax (benefit) / expense at statutory rates	2,197	602
Items giving rise to difference in tax		
Deferred tax asset not recognised	-	447
Other disallowances	-	11
Effect of change in tax rate	-	34

NOTES TO STANDALONE FINANCIAL STATEMENTS

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(b) The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2019	Year ended| March 31, 2018
Others	58	(22)
Total Income tax (benefit) / expense	**2,255**	**1,072**
Effective tax rate	**35.86%**	**62.20%**

(c) Composition of deferred tax (assets) / liabilities:

Deferred tax balance in relation to	As at March 31, 2018	Recognised through profit and loss	Recognised in other comprehensive income	As at March 31, 2019
Difference in property, plant and equipment	10,839	(217)	-	10,622
Carried forward unabsorbed depreciation	(4,592)	2,239	-	(2,353)
Carried forward business losses	(1,080)	1,080	-	-
MAT credit entitlement	(506)	(967)	-	(1,473)
Provision for employee benefit	(4)	5	(1)	-
Embedded derivative	(499)	(876)	-	(1,375)
Others	(74)	24	-	(50)
Total	**4,084**	**1,288**	**(1)**	**5,371**

Deferred tax balance in relation to	As at March 31, 2017	Recognised through profit and loss	Recognised in other comprehensive income	As at March 31, 2018
Difference in Property, plant and equipment	10,892	(53)	-	10,839
Carried forward unabsorbed depreciation	(3,891)	(701)	-	(4,592)
Carried forward business losses	-	(1,080)	-	(1,080)
Borrowings	(2,773)	2,773	-	-
MAT credit entitlement	(506)	-	-	(506)
Provision for employee benefit	1	(4)	(1)	(4)
Embedded derivative	(612)	113	-	(499)
Others	(98)	24	-	(74)
Total	**3,013**	**1,072**	**(1)**	**4,084**

10 Other non-current assets (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	2	3
Capital advances	4	10
Total	**6**	**13**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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11 Tax assets (Non current) (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Advance income tax / Tax deducted at source (Net of provision)	1,891	952
Total	**1,891**	**952**

12 Inventories (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Stores and spares {including in transit ₹ 0 million} (Previous Year ₹ 2 million)	11	46
Total	**11**	**46**

13 Investments (current) (Unquoted) (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Investment in equity shares of subsidiary - At cost		
Enneagon Limited - Subsidiary		
(as at March 31,2019: 180,001; as at March 31, 2018: NIL) equity shares of USD. 1/- each	-	-
Total	**-**	**-**
Aggregate carrying value of unquoted investments	**13**	**-**
Aggregate amount of impairment in value of investments	**13**	**-**

14 Trade receivables (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Trade Receivables from related parties- unsecured - considered good (refer note 44)	57	496
Total	**57**	**496**

The Company's exposure to credit and currency risk related to trade receivables are disclosed in note 38.2.3

NOTES TO STANDALONE FINANCIAL STATEMENTS
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15 Cash and cash equivalents (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with banks in:		
- Current accounts	125	258
- Deposits of original maturity of less than 3 months*	2,155	2
Total	**2,280**	**260**

* Short-term deposits are made with banks for varying periods of up to three months depending on the immediate cash requirements of the Company and to earn interest at the respective short-term deposit rates.

16 Bank balances other than cash and cash equivalents (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Margin deposits *	-	98
Deposits of original maturity of more than 3 months	-	1
* Mainly placed as margin for letters of credit facilities, guarantees and borrowings obtained from banks.		
Total	**-**	**99**

17 Other Financial Assets (current)

(Unsecured, considered good, unless otherwise stated) (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Interest accrued on bank deposits	**14**	**1**
Security deposits	**0**	**11**
Other receivables		
From related parties (refer note 44)		
- Considered good	104	104
From others		
- Considered good	66	141
- Significant increase in credit risk	4	4
- Less: expected credit loss	(4)	(4)
Total	**184**	**257**

18 Other current assets

(Unsecured and considered good) (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Claim receivable	8	8
Balances with government authorities	47	99
Prepaid expenses	157	133
Advances recoverable in cash or in kind or for value to be received	71	84
Total	**283**	**324**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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19 Equity share capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	(₹ in million)	Number of shares	(₹ in million)
Authorised share capital				
Equity shares of ₹ 10/- each	9,000,000,000	90,000	9,000,000,000	90,000
Total	**9,000,000,000**	90,000	**9,000,000,000**	**90,000**
Issued capital				
Equity shares of ₹ 10/- each	321,947,075	3,219	321,947,075	3,219
Total	**321,947,075**	**3,219**	**321,947,075**	**3,219**
Subscribed and fully paid up				
Equity shares of ₹ 10/- each	321,947,075	3,219	321,947,075	3,219
Total	**321,947,075**	**3,219**	**321,947,075**	**3,219**

Notes:-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Conversion of Foreign Currency Convertible Bonds into Equity Shares	Closing balance
Equity Shares			
Year ended March 31, 2019			
- Number of shares	321,947,075	-	321,947,075
- Amount (₹ in million)	3,219	-	3,219
Year ended March 31, 2018			
- Number of shares	321,192,199	754,876	321,947,075
- Amount (₹ in million)	3,212	8	3,219

(ii) Terms/ Rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Shares held by the holding company and shareholder more than 5% shares of the Company:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% shares	Number of shares	% shares
Equity shares				
Nayara Energy Limited (formerly known as Essar Oil Ltd), (w.e.f. 29th June, 2017)	314,323,454	97.63%	314,323,454	97.63%

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

20 Other equity (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Capital reserve on common control business combination	34	34
Capital reserve on cancellation and fresh issue of equity share capital	7,250	7,250
Capital reserve on conversion of FCCB into Equity	88	88
Securities Premium	233	233
Retained earnings	(3,807)	(7,838)
Total	**3,798**	**(233)**

Capital reserve: The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserves. The same can be utilised for issuance of bonus shares.

Securities Premium: The amount in the account represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares. The same can be utilised for the items specified under section 52 of the Companies Act, 2013.

Retained earnings: Net earnings, retained by the company to be reinvested in its core business. It also includes fair valuation of property, plant and equipment and other assets done by the Company on transition to Ind AS and used as deemed cost of the concerned assets. Whether the Company can use these amount for distribution depend on specific requirements of the Companies Act, 2013 (as amended) and rules framed thereunder. Particularly, unrealised fair value gains cannot be used for dividend distribution.

21 Borrowings (non-current) (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Secured borrowings- at amortised cost		
-Rupee term loans from banks	29,499	34,840
-Current maturities of long term debt included under other finance liabilities (Current) (refer note 24)	(603)	(345)
Total	**28,896**	**34,495**

Security details, repayment terms and interest rate, breach of loan agreement (if any)

a) Term loan from banks are secured by first charge ranking pari passu over all movable and immovable assets (including land as available and registered in the name of the Borrower and including any leasehold interest granted by holding company and including the project land) both present and future, intangible assets of the Company both present and future, insurance contracts, title and interests under project documents, designated project accounts and other accounts including DSRA when created, pledge of certain equity shares of the Company owned by holding Company, undertaking and PUT Option provided by its holding Company.

i. Term loan of ₹ 20,791 Mn (as at March 31, 2018- ₹ 34,840 Mn) carries an interest rate of MCLR + spread of 50 bps and repayable in 80 unequal quarterly instalments from March 2018 to December 2037.

ii. Term loan of ₹ 8,708 Mn (as at March 31, 2018- NIL) carries an interest rate of MCLR + spread of 80 bps and repayable in 40 unequal quarterly instalments from March 2019 to December 2028.

22 Other financial liabilities (non-current) (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Derivative liability - At FVTPL (refer note 35 (ii))	2,766	-
Total	**2,766**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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23 Trade payables (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Total outstanding dues of micro and small enterprises (refer note 40)	1	4
Total outstanding dues of creditors other than micro and small enterprises	44	211
Total	**45**	**215**

The average credit period on purchases of certain goods and services is 7 to 30 days. No interest is charged on the trade payables.

24 Other financial liabilities (current) (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Current maturities of long-term debt		
From banks (Refer footnotes to the note 21 for detail of securities)	603	345
Capital Creditors*		
To others	146	13
Security deposits		
From related parties (refer note 44)	-	1,801
From others	0	58
Derivative liability - At FVTPL [refer note 35 (ii)]	1,165	1,427
* includes dues from micro & small enterprises		
Total	**1,914**	**3,644**

25 Other current liabilities (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Statutory dues	159	275
Advances received from customers	0	0
Total	**159**	**275**

26 Provisions (current) (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Provision for employee benefits		
Compensated absences	8	6
Gratuity (refer note 43)	7	5
Total	**15**	**11**

27 Current tax liabilities (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Provision for taxation (Net of advance tax)	-	4
Total	**-**	**4**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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28 Revenue (₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of services		
- Crude and petroleum products storage revenue[1]	10,518	9,466
- Crude and petroleum products handling services[2]	4,975	4,927
Total	**15,493**	**14,393**

1. Represents revenues from assets given on operating lease.
2. Represents revenues from contract with customers and are recognised over a period of time. The Company has entered into a 3 year cargo handling agreement and is obliged to provide storage and product handling services over such term. The Company recognises revenue as and when the services are provided.

Disaggregated revenue information

There are no additional disclosure required to disaggregation of revenue as the Company has only one stream of revenue from contracts with customers.

Performance obligation

The performance obligation is satisfied as services are performed as per the terms agreed with customers and payment is generally due within 0 to 30 days from delivery.

29 Other income (₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- Interest income from loans and advances to related parties (carried at amortised cost) (refer note 44)	-	1
- Interest on income tax refund	-	13
- Interest income from bank deposits (carried at amortised cost)	91	62
	91	**76**
Dividend income		
- Dividend received on investment carried at FVTPL	-	0
Other gains		
-Net gain on foreign currency transactions / translations	-	6
-Gain on sale of investment measured at FVTPL	4	-
-Gain on Derivative	-	341
-Reversal of expected credit loss	-	141
-Miscellaneous income	23	63
Total	**118**	**627**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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30 Operating expenses (₹ in million)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Hire charges	119	124
Lease rent	63	62
Operation and maintenance	314	302
Manning management	243	202
Consumption of stores and spares	76	45
Repairs and maintenance	34	53
Power and fuel	-	4
Total	**849**	**792**

31 Employee benefits expense (₹ in million)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Salaries, wages and allowance	84	92
Contributions to provident and other funds (refer note 43)	5	8
Staff welfare expenses	1	1
Total	**90**	**101**

32 Other expenses (₹ in million)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Consultancy and professional charges	14	129
Rates and taxes	4	4
Auditors' remuneration (refer note below)	8	9
Directors sitting fees (refer note 44)	1	1
Loss on derivative liability	2,503	-
Exchange differences (net)	2	-
Debit balance written off	0	424
General expenses	16	25
Insurance	122	103
Provision for losses on Investments in subsidiary	13	-
Total	**2,683**	**695**

Note: Auditors' remuneration (₹ in million)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Audit fees - as statutory auditors	6	5
For certification and other services	2	3
For reimbursement of expenses	-	0
Total	**8**	**8**

33 Finance costs

(₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on borrowing - at amortised cost		
a) On term loans	3,220	7,247
b) Interest on inter corporate deposit from a related party (refer note 44)	-	9
Other finance charges	77	811
Total	**3,297**	**8,067**

34 Exceptional items

(₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Loss on surrender of equity shares by subsidiary	-	1,279
Total	**-**	**1,279**

35 Leases

Operating lease

i) The Company as lessee

The Company has entered into the following non-cancellable operating lease agreements:

a) Two berths for the period of 30 years (remaining period approximate 8.5 years) with annual lease rental of ₹ 38 million for current financial year and with yearly escalation of 5%. The lease rentals are recognised under “operating expenses”.

Non-cancellable operating lease commitments

(₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Payable not later than 1 year	40	38
Payable later than 1 year and not later than 5 years	181	172
Payable later than 5 years	192	240
Total	**413**	**450**

b) VOTL has taken land on lease from Nayara Energy Ltd. (formerly known as “Essar Oil Ltd.”) for setup of terminal facility as below

(i) for creating facilities like tankages, gantries, pipelines etc. for 25 years (remaining period approximate 17 years) with annual lease rental of ₹ 17.5 million for current financial year and yearly escalation of 4%. The lease rentals are recognised under “operating expenses”.; and

NOTES TO STANDALONE FINANCIAL STATEMENTS
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(ii) for setting up terminal facilities for 30 years (remaining period approximate 17 years) with annual lease rental of ₹ 2.5 million per annum.The lease rentals are recognised under "operating expenses".

Non-cancellable operating lease commitments (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Payable not later than 1 year	21	20
Payable later than 1 year and not later than 5 years	91	88
Payable later than 5 years	345	369
Total	**457**	**477**

ii) The Company as lessor

The Company has entered into an operating lease agreement with Nayara Energy Limited (formerly known as 'Essar Oil Limited') for the storage facility of crude oil and petroleum products w.e.f. 1st April, 2016 for a initial period of 3 years, which was further extended for 3 year till 31st March, 2022 during the current year. The lease rental are subject to yearly escalation of 3%.

(₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Receivable not later than 1 year	11,122	9,851
Receivable later than 1 year and not later than 5 years	23,260	-
Receivable later than 5 years	-	-
Total	**34,382**	**9,851**

The Company has entered into USD denominated lease and services contract (host contract) for handling and storage of crude and petroleum products with Nayara Energy Limited (NEL). The Company has assessed and determined that the foreign currency payments embedded in the host contract are not closely related to the host contract and should be treated separately. (refer note 38.2.1 for sensitivity analysis).

36 Capital commitments (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	251	151
Total	**251**	**151**

37 Capital management

The primary objective of the Company's capital management is to maximise the shareholder value while safeguarding its ability to continue as a going concern. For the purpose of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders. The Net debt comprises all borrowings less cash and bank balances. The Company is not exposed to any external imposed capital requirements. Bank loans availed by the Company are subject to certain financial covenants and the Company is compliant with these financial covenants on the reporting date as per the terms of the loan agreements. There is no outstanding default on the repayment of loans (including interest thereon) as at March 31, 2019. The Company monitors its capital using gearing ratio, which is net debt divided to equity underlying net debt.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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1.1 Gearing ratio

The gearing ratio at the end of the reporting period is as follows. (₹ in million)

Particulars	**As at March 31, 2019**	**As at| March 31, 2018**
Long term borrowings # (refer note 21)	28,896	34,495
Current maturity of long term borrowing # (refer note 24)	603	345
Upfront fees	255	72
Less: Cash and cash equivalents (refer note 15)	2,280	260
Less: Bank balances other than cash and cash equivalents (refer note 16)	-	99
Net debt (a)	**27,474**	**34,553**
Equity share capital (refer note 19)	3,219	3,219
Other equity (refer note 20)	3,798	(233)
Total equity	**7,017**	**2,986**
Equity & underlying net debt (b)	**34,491**	**37,539**
Net debt to equity ratio (a/b)	**80%**	**92%**

including current maturities of long term borrowing

38 Financial instruments

1 Categories of financial instruments (₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
	Carrying Value	**Carrying Value**
Financial assets		
Measured at amortised cost*		
Other financial assets	316	257
Trade receivables	57	496
Cash and cash equivalents	2,280	260
Bank balances other than above cash and cash equivalents	-	99
Total financial assets carried at amortised cost	**2,653**	**1,112**
Total financial assets	**2,653**	**1,112**
Financial liabilities		
Measured at fair value through profit and loss		
Other financial liabilities - embedded derivative	3,931	1,427
Total Financial liabilities measured at amortised cost	**3,931**	**1,427**
Financial liabilities		
Measured at amortised cost		
Long-term borrowings #	29,499	34,840
Other financial liabilities*	146	1,872
Trade payables*	45	215
Total Financial liabilities measured at amortised cost	**29,690**	**36,927**
Total Financial liabilities	**33,621**	**38,354**

NOTES TO STANDALONE FINANCIAL STATEMENTS
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including current maturities of long-term borrowings. For fair value of long term borrowings, refer below level wise disclosure.

* The management assessed that the fair value of financial assets and liabilities approximate their carrying amount due to the short-term maturities of these instruments.

2 Financial risk management objectives

The Company's Corporate finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse the exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identification and mapping controls against these risks, monitor the risk and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and Company's activities to provide reliable information to the management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company. The Company's finance function reports quarterly to the Company's Board of Directors that monitors risks and policies implemented to mitigate risk exposures. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

2.1 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

i) Unhedged foreign currency exposure

The foreign currency exposure of the Company as at the balance sheet date that have not been hedged by a derivative instrument or otherwise are given below.:

As at March 31, 2019 :

Currency	Payable		Receivable	
	₹ in million	FC in Million	₹ in million	FC in Million
USD	4	0	1	0
Total	**4**	**0**	**1**	**0**

As at March 31, 2018 :

Currency	Payable		Receivable	
	₹ in million	FC in Million	₹ in million	FC in Million
USD	0	0	0	0
EUR	1	0	-	-
SGD	-	-	0	0
Total	**1**	**0**	**0**	**0**

ii) Foreign currency embedded derivative

Embedded derivative liability	Notional amount (In USD Million)		Fair value (₹ in million)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Lease and service payments in USD (remaining tenure)	724	151	3,931	1,427

A 5% increase / (decrease) in foreign currency exchange rates would result in ₹ 1,577 million (Previous year: ₹ 318 million) (net of tax) increase / (decrease) in profit.

NOTES TO STANDALONE FINANCIAL STATEMENTS

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2.2 Interest rate risk management

The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in MCLR.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to floating interest rates borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's floating rate borrowings and interest rate sensitivity analysis

(₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Floating rate borrowings #	29,754	34,912
Less: Upfront fee	(255)	(72)
Total borrowings (refer note 21 & 24)	**29,499**	**34,840**

including current maturities of long-term borrowings

If interest rate had been 50 basis point higher /lower and all other variables were held constant, the company's profit for the year ended would decrease/increase by ₹ 97 million (Previous year ₹ 114 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

2.3 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash and cash equivalents and other financial assets.

Trade receivables

Trade receivables consists of a single customer, holding company Nayara Energy Limited (formerly known as Essar Oil Limited). The operations of the customer are limited to single industry and geographical area. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue trade receivables.

Cash and bank balances

The credit risk on liquid funds and other bank deposits is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Collateral held as security and other credit enhancements

The Company does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial asset.

2.4 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES TO STANDALONE FINANCIAL STATEMENTS
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There is no any default in repayment of borrowings (including interest thereon) during current FY 2018-19 and previous FY 2017-18.

Bank loans availed by the Company are subject to certain financial covenants relating to debt service coverage ratio, Total Term Loan/ Tangible Net Worth, Total Term Loan/EBITDA, certain limit on total borrowing and fixed assets coverage ratio, the Company has complied with the financial covenants as per the terms of the loan agreement.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods and its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate existing at the end of the reporting period.

(₹ in million)

Particulars	As at March 31, 2019			
	< 1year	1-5 years	> 5 years	Total
Financial liabilities				
Long-term borrowings	638	4,880	24,236	29,754
Future interest obligations	3,102	11,488	19,029	33,619
Trade payables	45	-	-	45
Other financial liabilities	1,276	2,766	-	4,042
Total financial liabilities	**5,061**	**19,134**	**43,265**	**67,460**

Particulars	As at March 31, 2018			
	< 1year	1-5 years	> 5 years	Total
Financial liabilities				
Long-term borrowings	350	3,238	31,325	34,913
Future interest obligations	3,261	12,600	28,070	43,931
Trade payables	215	-	-	215
Other financial liabilities	3,294	-	-	3,294
Total financial liabilities	**7,120**	**15,838**	**59,395**	**82,353**

3 **Level wise disclosure of fair value for financial instruments requiring fair value measurement/ disclosure:** (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018	Level	Valuation technique and key inputs
Embedded derivatives liability	3,931	1,427	II	Embedded foreign currency are measured similarly to the foreign currency forward contracts. The embedded derivatives are foreign currency forward contracts which are separated from long-term sales/ lease contracts where the transaction currency differs from the functional currencies of the involved parties.

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3 Level wise disclosure of fair value for financial instruments requiring fair value measurement/ disclosure: (₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018	Level	Valuation technique and key inputs
Long term borrowings (including current maturities)	30,280	34,840	II	Long-term fixed-rate and variable-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and the risk characteristics of the financed project. The fair value is determined using the discounted cash flow method. The future cash flows are based on terms of the borrowing. These cash flows are discounted at a rate that reflects current market rate and the current market risk.

39 The Company does not have average profit as prescribed under section 135 of the Companies Act, 2013 hence Company has not incurred any expenses towards Corporate Social Responsibility (CSR) as prescribed under section 135 of the Companies Act, 2013.

40 Details of dues to micro and small enterprises

The information regarding principal and interest pertaining to micro and small enterprises based on available detail is as under:

(₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
1. Principal amount remaining unpaid to any supplier as at the end of the accounting year	5.00	4.00
2. Interest due on (1) above and the unpaid interest	-	0.00
3. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	0.00	-
4. The amount of interest due and payable for the year	-	0.00
5. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
6. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

41 Earnings per share

Basic earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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The following table reflects the profit and data on equity shares used in the basic and diluted EPS computations:

Particulars		**Year ended March 31, 2019**	**Year ended March 31, 2018**
Profit attributable to ordinary equity share holders for basic & diluted earnings (₹ In million)	(A)	4,033	652
Weighted average number of ordinary shares for basic and diluted EPS (in Nos.)	(B)	321,947,075	321,947,075
Nominal value of ordinary shares (₹)		10/-	10/-
Basic and Diluted earnings per share (₹)	(A/B)	12.53	2.03

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Ordinary shares at the beginning of the year for basic EPS (Nos.)	321,947,075	321,192,199
Add: Weighted average number of ordinary shares issued during the year	-	754,876
Weighted average number of equity shares used in the calculation of basic and diluted EPS	**321,947,075**	**321,947,075**

42 Segment information

Identification of Segments:

The Company is in the business of providing services relating to receipts, storage and dispatch of crude and petroleum products primarily operated through its port and terminal facilities at Vadinar, Gujarat. The management committee (the Chief Operating Decision Maker as defined in Ind AS 108 Operating Segments) regularly reviews the entire operation as one activity for measuring performance and allocating resources. Basis this, the management has decided that the company operates as a single segment. The entire revenue are from a single customer in India.

43 Employee benefits

A Gratuity:

Amount recognised in Statement of profit and loss in respect of these defined benefit plans are as follows: (₹ in million)

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Service cost	1	4
Net interest expense	0	0
Component of defined benefit costs recognised in Statement of Profit and Loss	**1**	**4**
Remeasurement of net defined benefit liability:		
Actuarial losses/(gains) - experience	2	1
Actuarial losses/(gains) - assumptions	0	3
Return on plan assets greater/(lesser) than discount rate	0	0
Components of defined benefit costs recognised in other comprehensive income	**2**	**4**
Total Expenses	**3**	**8**

The service cost and net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

(₹ in million)

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of funded defined benefit obligation (A)	19	15
Fair value of plan assets (B)	12	10
Net liability arising from defined benefit obligation (refer note 26) (C=A-B)	**7**	**5**

Movement in the present value of the defined benefit obligation are as follows: (₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of the year	15	14
service cost	1	4
Interest cost	1	1
Remeasurement (gains)/losses:		
Actuarial losses/(gains) - experience	2	1
Actuarial losses/(gains) - financial assumptions	1	2
Benefits paid	(1)	(7)
Balance at the end of the year	**19**	**15**

Movement in the fair value of the plan assets are as follows: (₹ in million)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of the year	10	10
Interest income on plan assets	1	1
Remeasurement gain (loss):		
Return on plan assets greater/(lesser) than discount rate	(0)	(0)
Contribution from the employer	2	6
Benefits paid	(1)	(7)
Balance at the end of the year	**12**	**10**

Composition of the plan assets:

Particulars	As at March 31, 2019	As at March 31, 2018
Scheme of insurance - conventional products, administered by LIC	100%	100%

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(₹ in million)

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Estimate of amount of contribution in the immediate next year	3	2

The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	**Valuation as at**	
	March 31, 2019	**March 31, 2018**
Discount rate (p.a)	7%	8%
Expected rate(s) of salary increase (p.a)	12%	12%
Attrition rate (p.a)	10%	10%
Mortality	**Indian Assured Lives Mortality (2006-08) Ult. Modified**	

Defined contribution plans

The Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised expense of ₹ 4 million (Year ended 31st March, 2018 expense of ₹ 4 million) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Scheme.

Defined benefit plans

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefit plans are administered by Life Insurance Corporation of India (LIC) and every year the required contribution amount is paid to LIC.

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk:

1. Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
2. Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
3. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The expected benefits payments analysis of projected benefit obligation is as follows:

(₹ in million)

Particulars	Gratuity
As at March 31	
2020	3
2021	4
2022	2
2023	2
2024	2
March 31, 2025 to March 31, 2029	13

Sensitivity analysis: (₹ in million)

Particulars	Gratuity (Funded)	
	As at March 31, 2019	As at March 31, 2018
A. Discount Rate :		
Defined benefit obligation	19	15
Discount rate	7%	8%
1. Effect on DBO due to 0.5% increase in Discount Rate	(1)	(0)
2. Effect on DBO due to 0.5% decrease in Discount Rate	1	0
B. Salary Escalation Rate :		
Salary Escalation rate	12%	12%
1. Effect on DBO due to 0.5% increase in Salary Escalation Rate	0	0
2. Effect on DBO due to 0.5% decrease in Salary Escalation Rate	(0)	(0)
C. Withdrawal Rate :		
Attrition rate	10%	10%
1. Effect on DBO due to 5.00% increase in Withdrawal Rate	(1)	(0)
2. Effect on DBO due to 5.00% decrease in Withdrawal Rate	1	0

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

44 Related party disclosures

I Related party relationship, transactions and balances.

a. Names of the related parties and description of relationship up to August 18, 2017

Relationship	Entity Name
Holding company	Essar Steel Jharkhand Limited (ESJL) (immediate holding company) (upto 28th June 2017)
Associate	Coviva Energy Terminals Limited (CETL) (formerly known as Vadinar Liquid Terminals Limited)
Subsidiaries	Enneagon Limited, Mauritius (Enneagon)
Fellow Subsidiaries	Nayara Energy Limited (formerly known as Essar oil Limited) (Upto 28th June 2017)
	Essar Exploration & Production India Limited (EEPIL)
	Essar Ports Limited (EPL)
	Essar Projects (India) Limited (EPIL)

b. Names of the related parties and description of relationship from June 29,2017

Relationship	Entity Name
Holding company	Nayara Energy Limited (formerly known as Essar Oil Limited)
Subsidiaries	Enneagon Limited, Mauritius (Enneagon)
Associate	Coviva Energy Terminals Limited (CETL) (formerly known as Vadinar Liquid Terminals Limited)

c. Key Management Personnel

Relationship	Name
Whole Time Director	Capt. Alok Kumar
Whole Time Director	Capt. Deepak Sachdeva (upto 14th August 2017))
Director	Mr. LK Gupta (From 14th August 2017 to 5th September 2017)
	Mr. B. Anand (From 5th September 2017 to 19th January 2018)
	Mr. B.S.Kumar (upto 22nd September 2018)
	Mr. Pramod Kumar Agrawal (w.e.f. 21st December 2018)
	Mr. Chakrapani Manoharan
	Mr. Mohanlal Ramgopal Sharma
	Mr. P.K. Shrivastava (upto 14th August 2017)
	Mr. Rajeev Agrawal (upto 14th August 2017)
	Mr. K.K. Sinha (upto 14th August 2017)
	Mr. V.G Raghavan (upto 14th August 2017)
	Mrs. Suparana Singh (upto 14th August 2017)
	Mr. Anup Ajit Vikal
	Mrs. Gayathri S

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

44 Related party disclosures

II. Transactions with related parties

(₹ in million)

Nature of transactions*	Holding Company		Subsidiary Company		Fellow Subsidiary Company		Total	
	2018-19	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**	**2018-19**	**2017-18**
Crude and petroleum products storage & handling revenue	18,282	13,155	-	-	-	3,679	18,282	16,834
Interest income on inter-corporate deposits given	-	-	-	-	-	1	-	1
Recovery of expense	830	850	-	-	-	221	830	1,071
Receiving of services	696	378	-	-	-	243	696	621
Lease expense	23	18	-	-	-	5	23	23
Purchase of goods	11	6	-	-	-	2	11	8
Interest / financial charges paid / funded	-	14	-	-	-	-	-	14
Security Deposits Given	-	-	-	-	-	15	-	15
Inter Corporate Deposits taken & repaid	-	3,296	-	-	-	-	-	3,296
Loans and advances received	-	974	-	-	-	-	-	974
Sale of Shares under buyback offer from a subsidiary (net of loss of ₹ 1279 million)	-	-	-	29,053	-	-	-	29,053
Expenses paid on behalf of company	-	-	-	-	-	-	-	-
Receiving of Capital Service	-	31	-	-	-	45	-	76
Total	**19,842**	**18,722**	**-**	**29,053**	**-**	**4,211**	**19,842**	**51,986**

* Gross of taxes

<u>Transactions with other classes of related parties</u>

a) Key management personnel (remuneration)@

(₹ in million)

Name	2018-19	2017-18
Captain Deepak Sachdeva	-	16
Captain Alok Kumar	10	5

@ exclusive of provisions for liability in respect of leave earned and gratuity, since this is based on acturial valuation done on an overall basis for all employees. Performance bonus/incentive amount considered on payment basis. Also refer note 31.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

b) Key management personnel (Director Sitting Fees) (₹ in million)

Name	2018-19	2017-18
Mr. V.G Raghavan	-	0
Mr. B.S.Kumar	0	0
Mr. Mohanlal Ramgopal Sharma	0	0
Mr. Pramod Kumar Agrawal	0	-

III. Balances with related parties : (₹ in million)

Nature of transactions	Holding Company		Associate Company		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Assets						
Financial Assets						
Investments	-	-	0	0	0	0
Trade receivables (Refer terms below)	57	494	-	-	57	494
Total	**57**	**494**	**0**	**0**	**57**	**494**
Financial Assets - Others						
Other receivables	-	-	104	104	104	104
Total	**-**	**-**	**104**	**104**	**104**	**104**
Liabilities						
Other Financial Liabilities						
Security deposits	-	1,801	-	-	-	1,801
Trade payables / Other liabilities	-	0	-	-	-	0
Total	**-**	**1,801**	**-**	**-**	**-**	**1,801**

Trade receivables are non interest bearing and are generally on terms of 0-30 days.

Also refer note 21 for securities and guarantees provided by the holding company for loans taken by the Company.

45 The Company has not prepared consolidated financial statements as at March 31, 2019 as the Company does not hold any investment in subsidiaries, associates and joint ventures, except investment in a wholly owned subsidiary namely Enneagon Limited, Mauritius and an associate namely Coviva Energy Terminals Limited. The Board of Enneagon Limited, Mauritius has applied for liquidation in December 2018 and the Company's investments therein are completely impaired. Coviva Energy Terminals Limited is yet to commence its operations and does not have any significant assets, liabilities, income or expense. Accordingly, the profits, equity and cash flows on consolidation of both these entities with the Company would remain consistent with the standalone financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

Additional information as required under Schedule III to the Companies Act, 2013 of entities considered as subsidiary / associate is given below:

Name of the Entity in the Group	Net assets, i.e. total assests minus total liabilities as at March 31, 2019		Share of profit or loss for the year ended March 31, 2019		Share in other comprehensive income/ (loss) for the year ended March 31, 2019		Share in Total comprehensive income/ (loss) for the year ended March 31, 2019	
	As % of Consolidated net assets	(₹ in million)	As % of Consolidated profit or loss	(₹ in million)	As % of Consolidated other comprehensive income/(loss)	(₹ in million)	As % of Consolidated total comprehensive income/(loss)	(₹ in million)
Parent								
Vadinar Oil Terminal Limited	100%	7,017	100%	4,033	100%	(2)	100%	4,031
Subsidiaries								
Foreign								
Enneagon Limited	-	-	-	-	-	-	-	-
Intercompany Elimination and Consolidation adjustments	-	-	-	-	-	-	-	-
Associate (Investment as per the equity method):-								
Indian								
Coviva Energy Terminals Limited	-	-	-	-	-	-	-	-
Grand Total	**100%**	**7,017**	**100%**	**4,033**	**100%**	**(2)**	**100%**	**4,031**

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Naman Agarwal**
Partner
Membership No. 502405

Gurugram, June 13, 2019

For and on behalf of the Board of Directors

Anup Vikal
Director
DIN:03171808

Gayathri S
Director
DIN:07115908

Yogesh Kumar Sharma
Chief Financial Officer
Mumbai, June 13, 2019

Nihar Avasare
Company Secretary
Mumbai, June 13, 2019

VADINAR OIL TERMINAL LIMITED

NOTICE

NOTICE is hereby given that Twenty Sixth Annual General Meeting of the members of VADINAR OIL TERMINAL LIMITED will be held at the Registered Office of the Company at Nayara Energy Refinery Site, 39 KM Stone, Okha Highway (SH-25), Khambhalia, District Devbhumi Dwarka -361 305, Gujarat on Wednesday, September 18, 2019 at 04:00 p.m. to transact, the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 together with the reports of Board of Directors and Auditors thereon.

2. To appoint a Director in place of Ms. Gayathri S. (DIN 07115908) who retires from office by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **To appoint Dr. Pramod Kumar Agrawal as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Dr. Pramod Kumar Agrawal (DIN: 08311041) who was appointed as an Additional Director by the Board of Directors with effect from December 21, 2018 pursuant to Section 161(1) of the Act and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five years from December 21, 2018 to December 20, 2023."

4. **To appoint Ms. Naina Lal Kidwai as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Naina Lal Kidwai (DIN: 00017806) who was appointed as an Additional Director by the Board of Directors with effect from August 5, 2019 pursuant to Section 161(1) of the Act and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria of independence as provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of three years from August 5, 2019 to August 4, 2022."

5. **To appoint Mr. Deepak Kapoor as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Deepak Kapoor (DIN: 00162957) who was appointed as an Additional Director by the Board of Directors with effect from August 5, 2019 pursuant to Section 161(1) of the Act and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of three years from August 5, 2019 to August 4, 2022."

6. **To approve payment of commission to Independent Directors**

   To consider and, if thought fit, to pass the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ('the Act') and subject to the approval of any Authority or any other person as may be required, consent of the members of the Company be and is hereby accorded commencing from the financial year 2019-20, for payment of commission to all or any of the Independent Directors of the Company, which shall not exceed 1% of the net profits of the Company in the aggregate, in each financial year, computed as per the provisions of Section 198 of the Act, which shall be paid in addition to the sitting fee payable to the Independent Directors for attending the meetings of the Board of Directors, Committees and other meetings and/or reimbursement of expenses and excluding remuneration for services of professional nature rendered by the Director(s) in any other capacity."

"RESOLVED FURTHER THAT the Board of Directors (herein after referred to as "the Board") be and is hereby authorized to determine the actual amount of commission to be paid to the Independent Directors as per the criteria decided/to be decided by the Board, the terms of payment, proportion of amount to be paid etc. and to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

By order of the Board of Directors

Nihar Avasare
Company Secretary

Place: Mumbai
Date: August 7, 2019

Registered Office:

Nayara Energy Refinery Site, 39 KM Stone
Okha Highway (SH-25), Khambhalia
Dist.: Devbhumi Dwarka - 361 305, Gujarat, India
Corporate Identity Number: U35111GJ1993PLC053434
Phone: +91 2833 661444, Fax: +91 2833 662929
Email: votlcosec@nayaraenergy.com

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.

2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting, i.e. before 04:00 p.m. on Monday, September 16, 2019.**

3. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as a proxy on behalf of not more than 50 (fifty) members and holding in aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company between 10:00 a.m. to 1:00 p.m., provided that not less than three days of notice in writing of the intention so to inspect the proxies is given to the Company.

5. The notice of Annual General Meeting, attendance slip and proxy form is being sent by electronic mode to all the members who have registered their email IDs with the depository participants (DP) / Share transfer agent (STA) unless where any member has requested for the physical copy. Physical copies of said documents are being sent by permitted mode to members who have not registered their email IDs. Members may further note that the said documents will also be available on the Holding Company's website www.nayaraenergy.com and at the website of the service provider providing remote e-voting platform i.e. https://www.evoting.nsdl.com for download. Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours i.e. from 10:00 a.m. to 1:00 p.m. on any working day, excluding Saturday and Sunday. For any communication, the members may also send requests to the Company's investor email ID viz. votlcosec@nayaraenergy.com.

6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public holidays between 10:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting. Copies of the documents referred to in the accompanying Notice will also be kept open for inspection at the Corporate Office of the Company located at 5th Floor, Jet Airways Godrej BKC, Plot No. C-68, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400051, Maharashtra, India.

7. Pursuant to Section 101 of the Act and Rules made there under, companies are allowed to send communication to members electronically. We thus request you to kindly register/update your email IDs with your respective DP (in case of electronically held shares) and Company's Share Transfer Agents (in case of shares in physical form) and make this initiative a success.

8. Members / proxies should bring the attendance slip duly filled in for attending the meeting.

9. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Annual General Meeting.

10. In terms of the provisions of Section 129 of the Companies Act, 2013, read with Rule 6 of the Companies (Accounts) Rules, 2014, as amended from time to time, take notice that the Company has not prepared consolidated financial statements of the Company for FY 2018-19, as the investment held by the Company in Enneagon Limited, a wholly owned subsidiary, is completely impaired on account of its liquidation process having been initiated. Further Coviva Energy Terminals Limited, an associate company, is yet to commence its operations and does not have any significant assets, liabilities, income or expenses. Accordingly the profits, equity and cash flows on consolidation of both these entities with the Company would remain consistent with the standalone financial statements. Further Nayara Energy Limited, the holding company of the company and the ultimate holding company for Enneagon Limited has prepared consolidated financial statements in compliance with applicable accounting standards.

11. In pursuance of the provisions mentioned above, the Company does not propose to prepare consolidated financial statements of the Company for FY 2019-20, as Enneagon Limited is likely to get liquidated and Coviva Energy Terminals Limited (CETL) is unlikely to commence its operations and accordingly would not have any significant assets, liabilities, income or expenses. Accordingly the profits, equity and cash flows on consolidation of CETL with the Company would remain consistent with the standalone financial statements.

12. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to M/s. Data Software Research Company Private Limited. The prescribed form in this regard may also be obtained from M/s. Data Software Research Company Private Limited.

13. In terms of Companies (Prospectus and Allotment of Securities) Third Amendment Rules 2018 dated September 10, 2018 ("Rules"), every shareholder of the Company who intends to transfer his / her shares held in physical form, needs to get such shares dematerialized before transfer. Accordingly, requests for effecting transfer of shares held in physical form are not being accepted by the Company. You are requested to get in touch with a depository participant and take necessary actions to dematerialize your physically held shares. ISIN for equity shares of the Company is – INE463G01019.

14. The particulars of the venue of the Meeting including route map and prominent land mark have been enclosed for ease in reaching the venue of the meeting.

15. Members are requested to produce the enclosed attendance slip duly signed as per the specimen signature recorded with the Company for admission to the meeting hall.

Voting through electronic means

1. Pursuant to Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company will provide remote e-voting facility as an option to the members to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system. The facility of casting the votes by the members using the electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

   It may be noted that this remote e-voting facility is optional. The remote e-voting facility will be available at the link https://www.evoting.nsdl.com during the following voting period:

Commencement of remote e-voting	:	From 8.00 a.m. of September 13, 2019
End of remote e-voting	:	Up to 5.00 p.m. of September 17, 2019

   Remote e-voting shall not be allowed beyond 5.00 p.m. of September 17, 2019. During the remote e-voting period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date may cast their vote electronically. The cut-off date for determining entitlement of members for casting votes through remote e-voting is September 11, 2019.

   You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

2. The notice of AGM will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on August 16, 2019 and any recipient of the notice whose name does not appear as a member in relation to the shares as on the aforesaid date should treat the same as an intimation only.

3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

4. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

5. The members shall have one vote per equity share held by them. The facility of remote e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.

6. The voting rights of members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date of September 11, 2019.

7. Any person, who acquires shares of the Company and become member after dispatch of the notice and holding shares as of the cut-off date i.e. September 11, 2019 may obtain the login ID and password by sending a request to NSDL at evoting@nsdl.co.in. Members may also contact Mr. Benjamin Rajaratnam of the Share Transfer Agent i.e. Data Software Research Company Private Limited at 044-28213738 or send email at B.Rajaratnam@dsrc.co.in.

8. The Board of Directors of the Company has appointed Mr. Hitesh Kothari (Membership No. FCS – 6038 COP No. 5502) or failing him Ms. Sonam Jain (Membership No. FCS – 9871, COP No. 12402) of M/s Kothari H & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

9. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by the Board of Directors, who shall countersign the same and declare the result of the voting forthwith.

10. The results of the voting on the resolution at the AGM shall be declared by the Chairman or his authorized representative or anyone of the Directors of the Company on/or after the date of the AGM within the prescribed time limits.

11. The result of the remote e-voting along with the report of scrutiniser will also be placed on the website of the Holding Company viz. www.nayaraenergy.com and on the website of NSDL.

12. The scrutinizer's decision on the validity of remote e-voting will be final.

INSTRUCTIONS FOR REMOTE E-VOTING

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at www.evoting.nsdl.com.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" 111211 of Vadinar Oil Terminal Limited for casting your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish

to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@khacs.com with a copy marked to evoting@nsdl.co.in

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

Annexure to Notice

As required by Section 102 of the Companies Act, 2013, and Secretarial Standard 2, following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice:

Item No. 3, 4 and 5

In accordance with the provisions of Section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, the Company is required to have at least two independent directors on the Board. The Independent Directors can be appointed for two consecutive terms of upto five years each.

Capt B. S. Kumar, was appointed as an Independent Director of the Company for a second term, at the Annual General Meeting of the Company held on September 23, 2015 to hold office as an Independent Director for a period of three years w.e.f. September 23, 2015. Accordingly Capt. B. S. Kumar had ceased to be the Director of the Company w.e.f. September 22, 2018.

The vacancy caused due to the cessation of Directorship of Capt B. S. Kumar was filled by the Board by appointing Dr. Pramod Kumar Agrawal on December 21, 2018. Dr. Agrawal was appointed on the recommendations of Nomination and Remuneration Committee as Additional Director in the capacity of Independent Director to hold office for a period of five years w.e.f. December 21, 2018. His appointment is subject to approval of the shareholders.

Further in order to bring in expertise and rich experience, Ms. Naina Lal Kidwai and Mr. Deepak Kapoor were appointed by the Board of Directors on the recommendations of the Nomination and Remuneration Committee as Independent Directors for a period of three years w.e.f. August 5, 2019. Ms. Naina Lal Kidwai and Mr. Deepak Kapoor are also Independent Directors on the Board of holding company i.e. Nayara Energy Limited. Having common Independent Directors on the Board of Nayara Energy Limited and Vadinar Oil Terminal Limited would facilitate in improving governance framework of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Dr. Agrawal, Ms. Kidwai and Mr. Kapoor hold office only upto the date of ensuing Annual General Meeting. The Company has received from all three proposed directors, the consent to act as director, other disclosures and declaration confirming that they are not disqualified from being acted as directors and declaration that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. The Board is of the opinion that Dr. Agrawal, Ms. Kidwai and Mr. Kapoor fulfil the conditions specified in the Companies Act, 2013 for such appointment. The Board also believes that the association of these Independent Directors would be beneficial to the Company.

As required under Secretarial Standard 2 specified by the Institute of Companies Secretaries of India, the details of Dr. Pramod Kumar Agrawal, Ms. Naina Lal Kidwai and Mr. Deepak Kapoor are appended at the end of the Notice. The terms and conditions of appointment of all three directors will be available for inspection by any member during normal business hours on any working days excluding Saturday, Sundays and Holidays.

Except for Dr. Pramod Kumar Agrawal, Ms. Naina Lal Kidwai and Mr. Deepak Kapoor who are interested in their respective resolutions, none of the other Directors and Key managerial personnel of the Company or their respective relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3, 4 and 5 of the Notice.

The Board recommends the resolution set forth in Item No. 3, 4 and 5 of the Notice for the approval of the members of the Company by Ordinary Resolutions.

Item No. 6

The Independent Directors appointed by the Company have rich knowledge and extensive experience in their respective fields. They contribute in a significant way in growth of the Company. In order to have enabling authority with the Board to appropriately remunerate them it is proposed to seek approval of the shareholders to pay commission to the Independent Directors of the Company not exceeding 1% of the net profits of the Company calculated under Section 198 of the Companies Act, 2013 (“Act”). The proportion of commission to be paid would be decided by the Board and it would be paid to the Independent Directors w.e.f. FY 2019-20.

The Act provides for payment of commission to Non-Executive Directors including Independent Directors. Section 197 of the Act requires obtaining the approval of the shareholders for payment of profit related commission to Independent Directors.

All the Independent Directors viz. Dr. Mohan Lal Sharma, Dr. Pramod Kumar Agrawal, Ms. Naina Lal Kidwai and Mr. Deepak Kapoor may be deemed to be concerned or interested in this resolution to the extent of commission that may be paid to them from time to time. None of the other Directors, Key Managerial Personnel and their relatives are in any way concerned or interested financially or otherwise in the resolution.

The aforesaid Independent Directors are highly qualified and experts in their respective fields. The Board is of the opinion that the payment of commission to these individuals would be beneficial to the Company. Accordingly the Board recommends the resolution set forth in Item No. 6 for the approval of the members of the Company as special resolution.

By order of the Board of Directors

Nihar Avasare
Company Secretary

Place: Mumbai
Date: August 7, 2019

Registered Office:

Nayara Energy Refinery Site, 39 KM Stone
Okha Highway (SH-25), Khambhalia
Dist.: Devbhumi Dwarka - 361 305, Gujarat, India
Corporate Identity Number: U35111GJ1993PLC053434
Phone: +91 2833 661444, Fax: +91 2833 662929
Email: votlcosec@nayaraenergy.com

Details of Directors, pursuant to Secretarial Standard 2 seeking appointment/ re-appointment at this General Meeting

Particulars	Dr. Pramod Kumar Agrawal	Ms. Naina Lal Kidwai	Mr. Deepak Kapoor
Age	63	62	60
Qualification	Doctorate in Chemistry from University of Bihar, Post Graduate Diploma in Business Management from IGNOU Certified Associate of Indian Institute of Bankers	Ms. Kidwai has studied Chartered Accountancy and holds a Bachelor of Arts degree in Economics (Honours) from Lady Shri Ram College, Delhi. She also holds a degree in Master in Business Administration from Harvard Business School.	A meritorious commerce graduate from Delhi University (third rank holder), a Fellow Member of Institute of Chartered Accountants of India, Fellow Member of Institute of Company Secretaries of India and a member of Institute of Certified Fraud Examiners, USA.
Experience	Has been a senior Banking and Finance Professional and has around 35 years' of experience. He has diversified experience in Project Finance, Corporate Banking, Debt Syndication, Trade Finance, Risk management, Loan origination, international banking, investments etc. His last assignment was with State Bank of India as General Manager (Wholesale Banking) in the International Banking group at Corporate Centre, Mumbai upto December 2015.	Had primarily worked in Financial Services, including strategy setting, and directing of organizations and establishing and leading large highly motivated teams. She has worked closely with entities in all the major global markets including large fund managers, multinational corporations and Indian corporates. She has a strong network of relationships with Financial Institutions, Government, Regulators and Corporates. She has also to her credit established a number of new businesses and successfully overseen mergers and acquisitions of entities. During her long professional career, she has worked with organisations like Price WaterHouse Coopers, ANZ Grindlays Bank PLC (now Standard Chartered Bank), Morgan Stanley India and HSBC.	Former Chairman of PwC India, had been associated with it for over 30 years. He was named partner in 1991 and was the Managing Director from 2007 to 2016. As a member of PwC's India Leadership Team, Mr. Kapoor served in various leadership and client service roles. He has lead deals for more than eight years and practice in the areas of Telecom, Entertainment and Media for over ten years. Mr. Kapoor successfully steered the firm during very challenging times and has strengthened the firm's footprint in India. Mr. Kapoor has extensive experience in the Audit function as well as business advisory related work. His experience, in India and overseas, encompasses multiple industries including consumer products, manufacturing, telecom, technology, healthcare, entertainment and media.
Terms and conditions of appointment/ re-appointment	To hold office for a period of five years w.e.f. December 21, 2018	To hold office for a period of three years w.e.f. August 5, 2019	To hold office for a period of three years w.e.f. August 5, 2019
Remuneration sought to be paid	Sitting fees and Commission on profits as may be approved by the Board from time to time	Sitting fees and Commission on profits as may be approved by the Board from time to time	Sitting fees and Commission on profits as may be approved by the Board from time to time
Remuneration last drawn	Sitting fees of ₹ 100,000 paid in financial year 2018-19.	N.A.	N.A.
Date of first appointment by the Board	December 21, 2018	August 5, 2019	August 5, 2019
Shareholding in the Company	Nil	Nil	Nil
Relationship with other directors, KMPs	Not related	Not related	Not related

Particulars	Dr. Pramod Kumar Agrawal	Ms. Naina Lal Kidwai	Mr. Deepak Kapoor
Number of meetings of the Board attended during the year	1 out of 1 held on or after his appointment during FY 2018-19	N.A.	N.A.
Other directorships	Nil	• Max Financial Services Limited • Cipla Limited • Larsen and Toubro Limited • Altico Capital India Limited • Shakti Sustainable Energy Foundation • Nayara Energy Limited • LafargeHolcim Limited	• Tata Steel Limited • HCL Technologies Limited • Delhivery Private Limited • Nayara Energy Limited
Chairmanship of committee of other Boards	Nil	• Nomination and Remuneration Committee – Nayara Energy Limited • CSR, Safety and Sustainability Committee – Nayara Energy Limited	• CSR & Sustainability Committee – Tata Steel Limited • Audit Committee – Delhivery Private Limited • Audit Committee – Nayara Energy Limited
Membership of committee of other Boards	Nil	• Audit Committee – Cipla Limited • Stakeholders Relationship Committee - Cipla Limited • Investment & Risk Management Committee - Cipla Limited • Audit Committee – Altico Capital India Limited • Nomination and Remuneration Committee – Altico Capital India Limited • Audit Committee – Max Financial Services Limited • Nomination and Remuneration Committee – Max Financial Services Limited • Audit Committee – Nayara Energy Limited • Banking & Finance Committee – Nayara Energy Limited	• Audit Committee – Tata Steel Limited • Stakeholders Committee - Tata Steel Limited • Audit Committee – HCL Technologies Limited • Risk Management Committee - HCL Technologies Limited • Nomination and Remuneration Committee – Nayara Energy Limited • Stakeholders Relationship Committee – Nayara Energy Limited

VADINAR OIL TERMINAL LIMITED

Registered Office: Nayara Energy Refinery Site, 39 KM Stone, Okha Highway (SH-25),
Khambhalia, Dist.: Devbhumi Dwarka - 361 305, Gujarat, India
Corporate Identity Number: U35111GJ1993PLC053434
Phone : +91 2833 661444, Fax: +91 2833 662929
E-mail : votlcosec@nayaraenergy.com

ATTENDANCE SLIP

26TH ANNUAL GENERAL MEETING - SEPTEMBER 18, 2019 AT 04:00 p.m.

Folio No	
DP ID / Client ID	
No. of Shares held	

NAME AND ADDRESS OF REGISTERED SHAREHOLDER

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company being held at the Registered Office at Nayara Energy Refinery Site, Khambhalia Post (39th KM. stone on Jamnagar-Okha Highway), Dist. Devbhumi Dwarka - 361305, Gujarat , India on September 18, 2019 at 04:00 p.m.

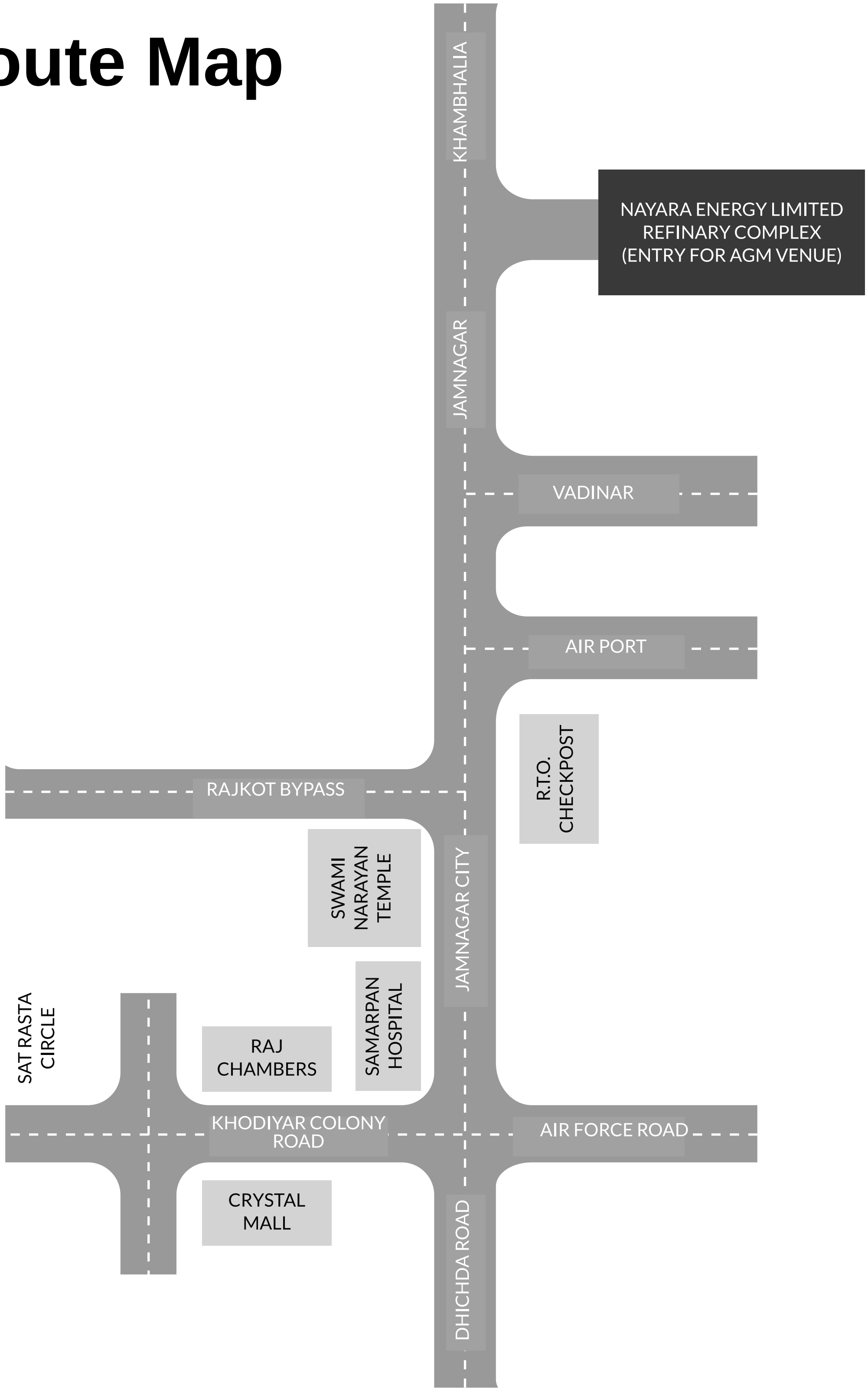
____

Member’s/ Proxy’s Signature

Note:

1. Please complete this and hand it over at the entrance of the hall.

Route Map


KHAMBHALIA
NAYARA ENERGY LIMITED
REFINARY COMPLEX
(ENTRY FOR AGM VENUE)
JAMNAGAR
VADINAR
AIR PORT
R.T.O.
CHECKPOST
RAJKOT BYPASS
SWAMI
NARAYAN
TEMPLE
JAMNAGAR CITY
SAMARPAN
HOSPITAL
SAT RASTA
CIRCLE
RAJ
CHAMBERS
KHODIYAR COLONY
ROAD
AIR FORCE ROAD
CRYSTAL
MALL
DHICHDA ROAD

VADINAR OIL TERMINAL LIMITED

Registered Office: Nayara Energy Refinery Site, 39 KM Stone, Okha Highway (SH-25),
Khambhalia, Dist.: Devbhumi Dwarka - 361 305, Gujarat, India

Corporate Identity Number: U35111GJ1993PLC053434

Phone : +91 2833 661444, Fax: +91 2833 662929

E-mail : votlcosec@nayaraenergy.com

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U35111GJ1993PLC053434		
Name of the Company	VADINAR OIL TERMINAL LIMITED		
Registered Office	Nayara Energy Refinery Site, 39 KM Stone, Okha Highway (SH-25), Khambhalia, Dist.: Devbhumi Dwarka - 361 305, Gujarat, India		
Name of the member (s)			
Registered address			
E-mail Id			
Folio No/ Client Id		DP ID	

I/We, being the member(s) of .... shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail Id		Signature	
	or failing him			
2.	Name			
	Address			
	E-mail Id		Signature	
	or failing him			
3.	Name			
	Address			
	E-mail Id		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company to be held on Wednesday, September 18, 2019 at 04:00 p.m. at the Registered Office at Nayara Energy Refinery Complex, Khambhalia Post (39th Km. stone on Jamnagar-Okha Highway), Dist. Devbhumi Dwarka - 361305, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	**Resolutions**	**Optional**	
		For	**Against**
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 together with the reports of Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Ms. Gayathri S. (DIN 07115908) who retires from office by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.		

Sr. No.	Resolutions	Optional	
		For	Against
3.	To appoint Dr. Pramod Kumar Agrawal as an Independent Director		
4.	To appoint Ms. Naina Lal Kidwai as an Independent Director		
5.	To appoint Mr. Deepak Kapoor as an Independent Director		
6.	To approve payment of commission to Independent Directors		

Signed this .... day of .... 2019.

Affix Revenue Stamp

Signature of shareholder: ________________________________

Signature of Proxy holder(s): _____________________________

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to put a "√" in the appropriate column against the Resolution indicated in the Box. If you leave the 'For" or 'Against' column blank against Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

If undelivered, please return to:

M/s. Data Software Research Company Private Limited
Unit: VADINAR OIL TERMINAL LIMITED
19, Pycrofts Garden Road, Off Haddows Road,
Nungambakkam, Chennai – 600006, India