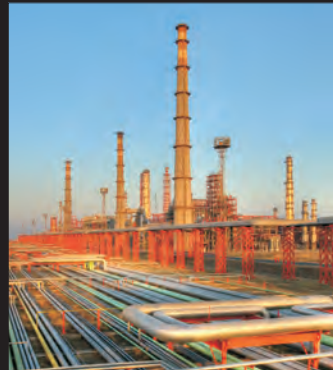




Essar Oil Limited
Annual Report 2008 - 2009



BOARD OF DIRECTORS (As on 18th May, 2009)

Shashi Ruia

Chairman

Ravi Ruia

Vice Chairman

Prashant Ruia

Anshuman Ruia

Naresh K. Nayyar

Managing Director

P. Sampath

Director Finance

Dilip J. Thakkar

K. N. Venkatasubramanian

Dr. G. Goswami

Nominee of IDBI Ltd.

V. K. Sinha

Nominee of LIC of India

R. P. Singh

*Nominee of IFCI Ltd.***COMPANY SECRETARY**

Sheikh S. Shaffi

BANKERS

ICICI Bank Ltd.

State Bank of Saurashtra

State Bank of India

Indian Overseas Bank

IDBI Bank Ltd.

HDFC Bank Ltd.

Punjab National Bank

Oriental Bank of Commerce

Axis Bank Ltd.

State Bank of Patiala

Indian Bank

Bank of Baroda

Allahabad Bank

Central Bank of India

Syndicate Bank

AUDITORS

M/s. Deloitte Haskins & Sells, Mumbai

REGISTERED OFFICE

Khambhalia Post, Post Box No. 24

Dist. Jamnagar - 361 305, Gujarat

Tel.: 91-2833-241444

Fax: 91-2833-241616 / 241414

Email: eolinvestors@essar.com

CORPORATE OFFICE

Essar House, Post Box No. 7945

11, Keshavrao Khadye Marg

Mahalaxmi, Mumbai - 400 034

Tel.: 91-22-66601100

Fax: 91-22-23544281 / 23540450

Website: <http://www.essar.com>**TRANSFER AGENTS**

M/s. Datamatics Financial Services Ltd.

Unit: Essar Oil Limited

Plot No. A16 & A17, Part B Cross Lane

MIDC, Andheri (East), Mumbai - 400 093

Tel.: +91-22-66712151 to 66712156

Fax: +91-22-66712230

Email: eolinvestors@dfssl.com

Website: <http://www.dfssl.com>**SHARES LISTED AT**

Bombay Stock Exchange Ltd.

1st Floor, Rotunda Bldg., P.J. Towers

Dalal Street, Mumbai - 400 023

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1

G Block, Bandra-Kurla Complex

Bandra (E), Mumbai - 400 051

NOTICE

NOTICE is hereby given that the **Nineteenth Annual General Meeting** of the members of **ESSAR OIL LIMITED** will be held at the Registered Office of the Company at Khambhalia Post (40th Km. stone on Jamnagar-Okha Highway), Dist. Jamnagar - 361305, Gujarat on Saturday, the **27th June, 2009 at 2:30 p.m.** to transact, with or without modifications, as may be permissible, the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March, 2009, the Statement of Profit & Loss for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri S N Ruia who retires from office by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri D J Thakkar who retires from office by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Shri P Sampath, who was appointed as an Additional Director by the Board of Directors pursuant to section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, in writing, proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company."

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

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto, and subject to such approval(s) from the Central Government or any other authority, as may be required, and subject to any conditions and / or modifications as may be imposed and / or suggested by such authorities, while granting such approvals, approval of the Company be and is hereby given to the appointment of Shri P Sampath as Director Finance of the Company for a period of 5 years with effect from 1st April, 2009 or upto the date of superannuation as per Company's policy and for payment of remuneration during his tenure in office as Director Finance upon the terms and conditions as set out in the Explanatory Statement annexed to this Notice which is hereby specifically approved with authority to the Board of Directors (which term shall include the Remuneration Committee constituted by the Board of Directors) to alter and vary the terms and conditions including period in office as may be agreed to between the Board of Directors and Shri P Sampath, in the best interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps as may be necessary or expedient to give effect to this resolution."

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

"RESOLVED THAT in supersession to the resolution passed at the Extraordinary General Meeting of members held on 28th February, 2008 and in accordance with the provisions of sections 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or reenactments thereof, for the time being in force), enabling provisions of the Memorandum and

Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where shares of the Company are listed and in accordance with the regulations / guidelines issued by the Government of India (GOI), the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and / or any other competent authorities and clarifications thereof, issued from time to time, the applicable provisions of Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 (FCCB Scheme), and subject to such approvals, permissions, consents and sanctions as may be necessary from the GOI, RBI, SEBI and/or any other relevant competent authorities in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include any committee constituted / to be constituted by the Board and / or any person(s) authorised by the Board for exercising the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and / or competitive basis, for such part of issue and for such categories of persons including employees of the Company as may be permitted), equity shares of Rs. 10/- each (hereinafter referred to as "equity shares") and / or equity shares through Global Depository Shares (GDSs) / Receipts (GDRs) and / or American Depository Receipts (ADRs) and / or Foreign Currency Convertible Bonds (FCCBs) and / or convertible bonds, convertible debentures, fully or partly and / or any other securities, convertible into or exchangeable with equity shares, and / or other securities convertible into equity shares at the option of the Company and / or the holder(s) of such securities and / or securities linked to equity shares and / or securities with or without detachable / non-detachable warrants and / or warrants with a right exercisable by the warrant holders to subscribe to equity shares and / or any instruments which would be converted into / exchanged with equity shares / GDRs at a later date, whether rupee denominated or denominated in any foreign currency, naked or otherwise, either in registered or bearer forms (hereinafter referred to as 'securities' which terms shall include equity shares) or any combination of the equity shares and securities, with or without premium as the Board may, at its sole discretion decide by way of one or more public and / or private offerings in domestic and / or one or more international market(s), with or without green shoe option, and/or private placement or issue through Qualified Institutions Placement in accordance with the Guidelines for Qualified Institutions Placement prescribed under Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 or by anyone or more or a combination of the above modes / methods or otherwise and at such time or kinds, with or without an over allotment offer, and in one or more tranches, aggregating to an amount not exceeding US\$ 2,000,000,000/- (United States Dollars Two thousand million only) or in equivalent Indian Rupees to Domestic / Foreign Investors / Qualified Institutional Buyers / Institutional Investors / Foreign Institutional Investors / Members / Employees / Non-Resident Indians / Companies / Bodies Corporate / Trusts / Mutual Funds / Banks / Financial Institutions / Insurance Companies / Pension Funds / Individuals or otherwise, whether shareholders of the Company or not and on such terms and conditions, as the Board may, at its sole discretion, at any time or times hereinafter decide."

"RESOLVED FURTHER THAT in case of any equity linked issue / offering of securities, the Board be and is hereby authorised to issue

and allot such number of equity shares as may be required to be issued and allotted upon conversion, exchange, redemption or cancellation of any such securities."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with the Lead Managers, Underwriters, Advisors, Merchant Bankers, and / or other persons as appointed by the Company be and is hereby authorised to finalise the timing of the issue(s) / offering(s), including the investors to whom equity shares / securities are to be allotted and accept any modifications to the terms of the issue as may be required and any other matter in connection with or incidental to the issue."

"RESOLVED FURTHER THAT the Company and / or any entity, agency or body authorised and / or appointed by the Company, may issue depository receipts representing the underlying securities issued by the Company in negotiable registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradeability and free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international market."

"RESOLVED FURTHER THAT :

- i. The equity shares issued and allotted directly or upon conversion, exchange, redemption or cancellation of other securities, when fully paid up, shall rank pari-passu with the existing equity shares of the Company;
- ii. The Relevant Date for determining the pricing of the securities (whether on Qualified Institutions Placement to QIBs as per provisions of Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 or issue of equity shares underlying the Global Deposit Receipts or securities issued on conversion of FCCBs) is the date of the meeting in which the Board decides to open the proposed issue or such date as may be notified by the SEBI or the RBI from time to time;
- iii. For the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate for making the said issue as aforesaid and to settle any question, query, doubt or difficulty that may arise in this regard including the power to allot under subscribed portion, if any, in such manner and to such persons(s) as the Board, may deem fit and proper in its absolute discretion to be most beneficial to the Company."

"RESOLVED FURTHER THAT such of these securities to be issued, which are not subscribed, may be disposed off by the Board in such manner and on such terms including offering/placing them with Banks / Financial Institutions / Mutual Funds or otherwise as the Board may deem fit and proper in its absolute discretion."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

By Order of the Board of Directors

Mumbai
18th May, 2009

SHEIKH S. SHAFFI
Company Secretary

Registered Office:
Khambhalia Post, P. O. Box 24,
Dist. Jamnagar-361 305, Gujarat

NOTES:

1. **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 2:30 p.m. of 25th June, 2009.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 25th day of June, 2009 to Saturday, the 27th day of June, 2009 (both days inclusive).
3. 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 Bank holidays, between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting.
4. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
5. Members desiring any information with regard to Accounts / Reports are requested to write to the Company at least ten days before the date of the meeting, so as to enable the management to keep the information ready.
6. Directors retiring by rotation:

Shri S N Ruia, Chairman of Essar Group is a first generation entrepreneur industrialist. He is 65 years old. He has played a stellar role in steering the Essar Group to a premier position amongst industrial houses in India as well as in global industry. Shri Ruia began his career in his family business under the guidance of his father, late Shri Nand Kishore Ruia, in 1969. His vision and indomitable entrepreneurial spirit were instrumental in the Group's forays into areas which were the exclusive preserve of either multinational giants or the Indian public sector, such as Steel, Energy, Power, Communications, Shipping Ports & Logistics and Projects. Shri Ruia, is on the managing committee of the Federation of Indian Chambers of Commerce and Industry (FICCI) and has been the chairman of the prestigious Indo-US Joint Business Council. The other companies in which Shri S N Ruia is a Director are: Essar Shipping Ports and Logistics Ltd.; Essar Steel Ltd.; Essar Power Ltd.; Essar Construction (India) Ltd.; India Securities Ltd.; Vadinar Oil Terminal Ltd; Essar Steel (Hazira) Ltd.; Essar SEZ Hazira Ltd. and Asia Motorworks Ltd.. He does not hold any shares in the Company. Shri S N Ruia retires by rotation at the Annual General Meeting and offers himself for reappointment.

Shri D J Thakkar is 72 years old. He is a practicing Chartered Accountant with 48 years experience in Taxation and FEMA matters. The other companies in which Shri D J Thakkar is a Director are: PAE Ltd.; Blueberry Trading Company Pvt. Ltd.; Chrysanthemum Investments Pvt. Ltd.; Hamlet Constructions India (P) Ltd.; Himatsingka Seide Ltd.; Indo Count Industries Ltd.; Panasonic Energy India Co. Ltd.; Omega Management Services Ltd.; Rajasvi Properties Holdings Pvt. Ltd.; Poddar Developers Ltd.; Starrock Investments & Trading Pvt. Ltd.; The Ruby Mills Ltd.; Thirumalai Chemicals Ltd.; Township Real Estate Developers Pvt. Ltd.; Walchandnagar Industries Ltd.; Garware Offshore Services Ltd.; Hinditron Consultancy Services Pvt. Ltd.; Garware Polyester Ltd.; Essar Shipping Ports & Logistics Ltd.; Modern India Ltd.; Ameya Logistics Private Ltd. and Windmere Hospitality (India) Pvt. Ltd. He is Chairman of the Audit & Governance Committee and member of Investors' Relations Committee of the Board. He holds 300 shares in the Company. Shri D J Thakkar retires by rotation at the Annual General Meeting and offers himself for reappointment.

7. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed.

Essar Oil Limited

ANNEXURE TO NOTICE

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 setting out all material facts relating to special business mentioned in accompanying Notice dated 18th May, 2009.

Items No. 5 & 6

Shri P Sampath was appointed by the Board of Directors as Additional Director and thereafter as Director Finance of the Company for a period of 5 years with effect from 1st April, 2009.

Under section 257 of the Companies Act, 1956 (Act), Shri P Sampath's appointment to the office of director requires approval of the shareholders at General Meeting. Accordingly, the resolution at item no. 5 of the Notice is being proposed.

In terms of section 269 read with Schedule XIII of the Act, the appointment and remuneration payable to Shri P Sampath as Director Finance is subject to approval of shareholders in General Meeting and other necessary approvals.

Shri P Sampath is a director of PKIT Services Pvt. Ltd.. He does not hold any shares in the Company. He is a member of the Investors' Relations Committee, Banking & Finance Committee and the Committee of Directors (Capital Issues) of the Company.

Information required to be given to members as per Schedule XIII of the Companies Act, 1956 is as under:

I General Information:

(1) Nature of Industry:

The Company belongs to the oil and gas industry. It is an existing company engaged in exploration and production of oil and gas, refining of crude oil and marketing of petroleum products.

(2) Expected date of commencement of commercial production:

The 10.5 MMTPA Oil Refinery of the Company commenced commercial production at full capacity with effect from 1st May, 2008.

(3) Financial performance:

(Rs. in crore)

| Financial parameters | Financial year ended 31st March | | |
|---|---------------------------------|-----------|-----------|
| | 2007 | 2008 | 2009 |
| Turnover | 473.98 | 651.93 | 41,855.97 |
| Net profit/(loss) (as computed u/s 198) | *(166.79) | *(210.86) | *(721.24) |
| Net profit/(loss) after tax as per Statement of Profit & Loss | (67.49) | (41.18) | (513.51) |

* includes loss for the preceding financial year/s.

(4) Export performance:

During the year ended 31st March, 2009, FOB value of exports (on accrual basis) – including for trial runs charged to "Expenditure During Construction" (EDC) was Rs. 10,968.69 crore.

(5) Foreign investments and collaborations, if any:

Essar Energy Holdings Ltd. (formerly Prime Finance Company Ltd.), Foreign Co-Promoter, has made investment of Rs.1,854 Crore in the Company and presently holds 7,47,08,037 (6.22%) equity shares and 770,930 Global Depository Shares having 11,79,52,290 (9.82%) underlying equity shares of the Company.

II Information about Shri P Sampath:

Shri P Sampath is 53 years old. He is a Bachelor of Commerce from Madras University and a Fellow member of the Institute of Cost &

Works Accountants of India and Institute of Company Secretaries of India with over 30 years of rich experience.

Shri Sampath started his career with Kothari Industries Ltd. He also worked for Blow Plast Ltd. and Amtrex Ambience Ltd. Thereafter, he moved to GHCL Ltd., where he worked for about 17 years and rose to become its Managing Director and Director of all global subsidiaries. He was responsible for Global corporate finance and treasury, mergers & acquisitions, corporate business planning, Investors' Relations, Global HR strategy, Financial & Management accounting, Internal / Management audit, Budgeting & MIS, Corporate Legal & Secretarial functions, ERP implementation and corporate and commercial taxation. Prior to joining Essar Group, he was with RPG Enterprises Ltd. as Management Board member and Group CFO where he was instrumental in integration of unit finance activities and fund raising for the Group.

Shri P Sampath is the Director Finance and will be responsible for the finance, accounts and taxation matters including raising finance (both debt and equity) for the Refinery expansion project, E&P Business and other ventures; treasury and working capital management, term loans servicing, Accounts, Direct and Indirect taxation, Internal control and Budgeting. Shri P Sampath with his expertise is considered well suited to handle these responsibilities.

Prior to joining the Company, Shri P Sampath was working with RPG Enterprises Ltd. where his salary was approximately Rupees Two crore per annum which included perquisites and allowances.

The particulars of remuneration payable and the terms of the appointment of Shri P Sampath are Salary & allowances of Rs.13,73,650 per month. In addition, the estimated Annual Performance Bonus shall be Rs.45,00,000 per annum, which will depend on performance of the Company and his performance assessed as per Company policy. He shall be reimbursed Leave Travel Assistance of Rs.60,000 p.a. The Director Finance shall be entitled to Rs.53,850 per month towards reimbursement of car operating, entertainment, telephone, professional perquisite, medical expenses and food coupons as per Company rules. He will be covered under Company's Provident Fund / Gratuity / Hospitalisation / Group Personal Accident Scheme. The perquisite value of the facilities / benefits / allowances and bonus shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 and the Rules framed thereunder. However, the total of salary / perquisites / allowances / other benefits and bonus as may be decided by the Board of Directors or the Remuneration Committee, will not exceed Rs.2.50 crore per annum.

In the event of termination of employment, except in circumstances of fraud or gross misconduct on his part, he will be entitled to be paid remuneration for a maximum period of three months.

Subject to as aforesaid, he shall be governed by such of the existing service rules of the Company as may be in force from time to time.

The remuneration proposed to be paid to the Director Finance is comparable with the remuneration being paid for similar assignments in the industry.

Shri P Sampath does not have direct or indirect pecuniary relationship with the Company or relationship with the managerial personnel other than getting remuneration as the Director Finance of the Company.

The above may be treated as an abstract of the agreement between the Company and Shri P Sampath pursuant to section 302 of the Act.

III Other information:

(1) Reasons for loss / inadequacy of profit, if any.

During the financial year ended 31st March, 2009, the Company

incurred losses which are attributable mainly to Exceptional items of forex loss and write down of inventory which occurred on account of unprecedented depreciation in the value of rupee and provision made on account of write down of inventory to net realizable value due to steep fall in crude / petroleum product prices during the financial year.

(2) Steps taken or proposed to be taken for improvement.

The Refinery of the Company is functioning satisfactorily. The crude oil prices in the International markets have come down substantially. The losses suffered by the Company during the financial year ended 31st March, 2009 are mainly on account of exceptional items, referred to above, due to turbulence in the International financial and oil & gas markets and not related to operations of the Company.

(3) Expected increase in productivity and profits.

With the successful completion of the planned shut down recently, the capacity utilisation of the plant will reach 14 MMTPA. Further, the Company is implementing the debottlenecking and upgradation programme to enhance the capacity of the plant to 16 MMTPA, with significant improvement in the complexity. These changes will enhance the volume of production, change in the product profile, ability to process low cost sour and tough crudes, thus significantly improving the margins and profitability.

With global economy showing signs of revival and lesser volatility in crude oil and foreign exchange markets, the Company expects to generate higher profits in the coming years.

The Board of Directors is of the opinion that the appointment of Shri P Sampath as Director Finance and payment of the proposed remuneration to him would be in the interest of your Company. Accordingly, the Directors recommend the resolution at Item No. 6 of the Notice for your approval.

None of the Directors is concerned or interested in the resolutions at Items no. 5 and 6 except for Shri P Sampath.

Item No. 7

Your Company commenced commercial production from the 10.5 MMTPA Oil Refinery at Vadinar, District Jamnagar on 1st May, 2008. The Company has initiated expansion of the refining capacity in two phases. In Phase I the refining capacity will be enhanced to 16 MMTPA and Phase II will take the total refining capacity to 34 MMTPA.

For funding the expansion projects and other activities including exploration and production activities, expanding of marketing network, strengthening

of working capital and other business purposes, the Company had obtained approval of shareholders at an EGM held on 28th February, 2008 for raising of funds upto US\$2.00 billion by issue of equity shares and / or FCCBs / GDSs / ADRs and / or other financial instruments convertible into equity shares through public issue and / or qualified institutional placement (QIP) and / or through issuance of securities in the International market.

Due to depressed market conditions, this issue could not be made. For raising funds through QIP mechanism, the shareholders' approval expired at the end of one year. The approval is otherwise valid for raising funds through other modes. However, as a good corporate practice, the Company proposes to seek revalidation of shareholders approval for raising of funds for an amount upto US\$2.00 billion by issue of equity shares and / or FCCBs / GDSs / ADRs and / or other financial instruments convertible into equity shares through public issue and / or qualified institutional placement (QIP) and / or through issuance of securities in the International market.

In terms of Section 81(1A) of the Companies Act, 1956, consent of the members is required by passing Special Resolution in General Meeting for allotment of further equity shares to any person other than the existing share holders.

The relevant date for determining the pricing of the securities (whether on Qualified Institutions Placement to QIBs as per provisions of Chapter XIII-A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 or issue of equity shares underlying the GDSs / ADRs or securities issued on conversion of FCCBs) is the date of the meeting in which the Board of Directors or the Committee of Directors duly authorised by the Board decides to open the proposed issue or such date as may be notified by the SEBI or the RBI from time to time.

The Directors accordingly recommend the resolution at Item No. 7 for your approval.

None of the Directors is concerned or interested in the resolution.

By Order of the Board of Directors

Mumbai
18th May, 2009

SHEIKH S. SHAFFI
Company Secretary

Registered Office:
Khambhalia Post, P. O. Box 24
Dist. Jamnagar - 361 305, Gujarat.

CHANGE OF TRANSFER AGENT

This is to inform you that **M/s. Datamatics Financial Services Ltd. (DFSL)** has been appointed as the Company's Transfer Agent in place of M/s. Sharepro Services (India) Pvt. Ltd. with effect from 1st June, 2009.

All members are hereby advised to contact **DFSL** at the following address for any assistance, request or instruction regarding transfer or transmission, dematerialization, change of address, non-receipt of annual report and any other query / grievance relating to the securities:

M/s Datamatics Financial Services Ltd.

Unit: Essar Oil Limited

Plot No. A16 & A17, Part B Cross Lane, MIDC

Andheri (East), Mumbai – 400093.

Tel.: +91 22 6671 2151 to 6671 2156; Fax: +91 22 6671 2230

E-mail: eolinvestors@dfssl.com

DIRECTORS' REPORT

To the Members of Essar Oil Limited

Your Directors have pleasure in presenting the Nineteenth Annual Report together with the audited accounts of the Company for the financial year ended 31st March, 2009.

FINANCIAL RESULTS

| | (Rs. in Crore) | |
|--|----------------|-----------|
| | 2008-2009 | 2007-2008 |
| Gross Income | 41,855.97 | 651.93 |
| Net Income | 37,700.15 | 576.78 |
| Profit / (Loss) before Depreciation and Tax | 111.13 | (41.54) |
| Less: Depreciation / Amortisation | 654.85 | 2.53 |
| Profit / (Loss) before Taxes | (543.72) | (44.07) |
| Less: Provision for Income Tax / Foreign Tax/ Deferred Tax Liability / Fringe Benefit Tax | (30.21) | (2.89) |
| Net Profit / (Loss) after tax | (513.51) | (41.18) |
| Add: Balance brought forward from previous year | (51.45) | (20.27) |
| Add: Transfer from Foreign Project Reserve | 8.00 | 10.00 |
| Total amount available for appropriations | (556.96) | (51.45) |
| Balance to be carried to Balance Sheet | (556.96) | (51.45) |

Due to absence of profits during the financial year, the Board has not recommended any dividend for the year.

REFINERY OPERATIONS

As reported in the last Directors' Report, Company's Refinery at Jamnagar commenced commercial production effective 1st May, 2008.

Information on operational and financial performance, etc. of the Company for the financial year is given in the Management Discussion and Analysis which is set out as Annexure B to the Directors' Report.

SHARE CAPITAL

During the year, pursuant to shareholders approval obtained at Extraordinary General Meeting held on 18th December, 2007, the Company allotted 27,771,948 equity shares of Rs.10/- each to the overseas depository for Global Depository Shares (GDSs) on issue of GDSs aggregating to US\$129.418 million to Promoters on preferential issue basis.

DIRECTORS

During the year, the term of Shri Suresh Mathur as Wholetime Director ended on 31st August, 2008 and he continued as Non-Executive Director till 18th May 2009. In October, 2008, Shri R P Singh was appointed as Nominee Director of IFCI Ltd. in place of Shri Sanjeev Ghai. ICICI Bank Ltd. withdrew its nominee, Shri N S Kannan, from the Board with effect from 4th March, 2009.

The Board wishes to place on record its appreciation for the guidance and valuable services rendered by Shri Suresh Mathur, Shri Sanjeev Ghai and Shri N S Kannan during their tenure as members of the Board.

Shri S N Ruia and Shri D J Thakkar retire by rotation at the ensuing Annual General Meeting and offer themselves for re-appointment and Shri P Sampath is proposed to be appointed as Director Finance. Particulars of the directors as required under clause 49 of the listing agreement with the Stock Exchanges are given in Notice / Explanatory Statement convening the ensuing 19th Annual General Meeting, forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 217(2AA) of the Companies Act, 1956, it is hereby confirmed:

- that in the preparation of the accounts for the financial year ended 31st March, 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were

reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for that period;

- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the accounts for the financial year ended 31st March, 2009 on a 'going concern' basis.

CORPORATE GOVERNANCE

In terms of clause 49 of listing agreement with the Stock Exchanges, a certificate from Auditors of the Company on compliance of conditions of Corporate Governance is annexed to the Directors' Report as Annexure C. A report on Corporate Governance as provided in clause 49 of the listing agreement is included in the Annual Report.

PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is given in the Annexure forming part of this Report. However, as per the provisions of section 219(1)(b)(iv) of the said Act, the Report and Accounts are being sent to all shareholders of the Company excluding the statement of particulars of employees u/s 217(2A) of the said Act. Any shareholder interested in obtaining a copy of this statement may write to the Company Secretary, for the same, at the Registered Office of the Company.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars as prescribed under section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in Annexure A to this Report.

FIXED DEPOSITS AND DEBENTURES

Your Company has not accepted any deposits from public under section 58A of the Companies Act, 1956 during the financial year under report.

During the financial year, the Company repaid Rs.88.70 crore to the debenture holders as per the terms of repayment under schemes of arrangement / compromise with the debenture holders.

SUBSIDIARY COMPANIES

Vadinar Power Company Limited, Essar Oil Vadinar Limited and Essar Energy Overseas Limited are subsidiaries of the Company.

The Board of Directors of the Company and of Essar Oil Vadinar Limited have approved merger of Essar Oil Vadinar Limited with the Company under a Scheme of Amalgamation with effect from 1st April, 2008. The Company and Essar Oil Vadinar Limited are in the process of obtaining necessary approvals.

Information relating to the subsidiary companies, pursuant to section 212 of Companies Act, 1956 forms part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with Accounting Standard AS-21 on Consolidated Financial Statements forms part of the Annual Report.

AUDITORS AND AUDITORS' REPORT

M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting.

M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, have informed the Company that, if appointed, their appointment will be within the limits prescribed under section 224(1B) of the Companies Act, 1956. Accordingly, the members' approval is being sought to their appointment as the Auditors of the Company at the ensuing Annual General Meeting.

The observations / qualifications, if any, of the Auditors in the Audit Report are explained wherever necessary in the appropriate notes to accounts and are self explanatory.

ACKNOWLEDGEMENT

The Board wishes to express appreciation and place on record its gratitude for the faith reposed in and co-operation extended to the Company by the Government of India, State Governments, various Government Agencies / Departments, Financial Institutions, Banks, Customers, Suppliers and Investors of the Company. Your Directors place on record their appreciation of the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board of Directors

Mumbai
18th May, 2009

S N RUIA
CHAIRMAN

The Central Government has granted exemption vide letter No.47/433/2009 – CL III dated 25th May, 2009 from attaching the Balance Sheet etc., of the subsidiaries to the Annual Report of the Company pursuant to section 212, of the Companies Act, 1956. Accordingly, the said documents of the subsidiary companies are not being attached to the Annual Report. Financial information of the subsidiary companies, as required by the order, is disclosed in the Annual Report. The Annual Accounts of the subsidiary companies will be made available upon request by any of the investors. These documents will also be available for inspection during business hours at the Registered Office of the Company and that of the subsidiary companies.

Annexure A to the Directors' Report

Statement of particulars under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

a) Energy Conservation measures taken:

The energy conservation measures taken by the Company during the year include –

- Fuel conservation measures at the Refinery were taken in the initial stage itself. A team closely monitors and works towards improvement of energy performance across the Refinery. Fuel & loss during the year 2008-2009 was 6.5% on crude. Refinery had taken up a study of steam trap management during July and August, 2008 by external expert agency. Optimization of steam consumption was carried out in the entire refinery operation. This has resulted in substantial savings in steam consumption. To further enhance the energy efficiency, it has been planned to install a thermo-compression system for absorbing excess low pressure steam into medium pressure steam. A comprehensive Energy Audit of whole Refinery will be carried out in 2009-2010.
- In the Development block at Mehsana, the Company initiated use of bath heater for effective water separation from oil and cladding of pipelines to avoid congealing. A small flare is also maintained for safety reasons.

b) Additional Investments and Proposals, if any, being implemented for energy conservation:

- Up-gradation of excess LP steam to MP steam by means of a thermo-compressor with an investment of Rs.70 lakh.
- A comprehensive Energy Audit of whole Refinery at an estimated cost of Rs.20 lakh.
- In the development field at Mehsana, studies are being carried for use of solar lighting in the field.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

- As a result of the above actions, the refinery fuel and loss has come down from 7.02% on crude in 2007-2008 to 6.5% in 2008-2009.
- The specific energy consumption in terms of MBN (MMBTU/ NRGF/ Barrel of Crude) has come down from 153.00 in 2007-2008 to 99.40 in 2008-2009.

- The likely savings in the steam on account of installation of thermo-compressor system will be about 10 MT/ Hr.
- These measures are likely to reduce the Fuel and loss resulting in marginal reduction in cost of production.
- In the development field at Mehsana, the above measure has resulted in lowering green house gases by way of flare reduction and ease in oil - water separation.

d) Total energy consumption and energy consumption per unit of production as per Form 'A' is attached hereto:

Form A

| A) | Power and Fuel Consumption: | 2008-2009 | 2007-2008* |
|-------|--|------------|------------|
| 1 | Electricity | | |
| (a) | Purchased | | |
| | Unit ('000 KWH) | 40,859.453 | 15,427.00 |
| | Rate / Unit (including minimum demand charge) | 8.06 | 9.83 |
| | Total Amount (Rs. in Lakh) | 3,294.41 | 1,516.00 |
| (b) | Own Generation | | |
| (i) | Through Diesel Generator Unit ('000 KWH) | N.A. | N.A. |
| | KWH per litre of diesel oil Cost / Unit (Rs./KWH) | | |
| (ii) | Through Steam Turbine/ Generator Unit ('000 KWH) | 480,775.90 | 278,359.00 |
| | KWH per litre of Fuel Oil/Gas | 3.41 | 3.68 |
| | Cost / Unit (Rs./KWH) | 7.27 | 7.96 |
| (c) | Electricity Consumed | | |
| | (a+b) ('000 KWH) | 521,635.35 | 293,786.00 |
| 2 | Coal (specify quality and where used) | N.A. | N.A. |
| 3 | Furnace Oil / other Liquid fuels-Purchased | | |
| | Quantity (MT) | 0.00 | 0.00 |
| | Total amount (Rs. In Lakhs) | N.A. | N.A. |
| | Average Rate (Rs./MT) | N.A. | N.A. |
| 4 | Others/From Internal Generation Fuel | | |
| (i) | Fuel Gas | | |
| | Unit (MTs) | 230,221.00 | 83,436.00 |
| | Total amount (Rs. In Lakhs) | 33,130.74 | 17,838.90 |
| | Average Rate (Rs./MT) | 14,390.84 | 21,380.34 |
| (ii) | Liquid Fuel-FO | | |
| | Unit (MTs) | 408,987.19 | 274,336.00 |
| | Total amount (Rs. In Lakhs) | 51,378.61 | 51,234.11 |
| | Average Rate (Rs./MT) | 12,562.40 | 18,675.68 |
| (iii) | Solid Fuel - FCC Coke | | |
| | Unit (MTs) | 153,182.00 | 28,849.00 |
| | Total amount (Rs. In Lakhs) | 16,481.63 | 4,634.62 |
| | Average Rate (Rs./MT) | 10,759.51 | 16,065.10 |
| 5 | Total Liquid Fuel – Purchased + Own Generation (MT) | 408,987.19 | 274,336.00 |
| | Total Fuel Gas, Liquid, Solid – Purchased + Own Generation | 792,390.10 | 3,86,621 |

| B | Consumption Per Unit of Production: | Unit | 2008-2009 | 2007-2008* |
|------|---|--------|------------|------------|
| (i) | Actual Production (MTs) - | | 12,138,152 | 5,060,148 |
| (ii) | Consumption per MT of Production | | | |
| | - Electricity (Purchased+Generated) | KWH/MT | 42.97 | 58.06 |
| | - Liquid Fuel (FO/LSHS/NAPHTHA) (Purchased + Internal Generation) | MT/MT | 0.034 | 0.042 |
| | - Fuel Gas | MT/MT | 0.019 | 0.016 |
| | - FCCU coke | MT/MT | 0.013 | 0.006 |

* Note: During the financial year 2007-2008, sequential start up of various units took place and integrated Refinery started operating under

Essar Oil Limited

trial runs during the last quarter of the financial year. Refinery commenced commercial production with effect from 1st May, 2008.

B. TECHNOLOGY ABSORPTION

e) Efforts made in technology absorption are setout in Form 'B' hereto:

Form B

Research & Development (R&D)

1. Specific areas in which R&D carried out by the Company

In the Refinery, R&D activities were carried out by doing VBU conversion vis-a-vis fuel oil stability as higher conversion was causing fuel oil stability problem; maximization of hydrogen yield in Continuous Catalytic Cracking Unit (CCR); optimization of Vacuum column operation for realizing better VGO yield; regeneration of spent caustic for reduction of sulphides loads in effluent treatment plant apart from saving caustic and optimization of crude blending.

Characterization of crudes and study of its properties to ascertain suitability of processing in the refinery was carried out. Crude database with respect to compatibility, fouling, and corrosion etc. is being developed. Extensive trial with various components like VR, HHVGO and VGO for Bitumen production have been undertaken. In-house analytical methods were developed for Arsenic content at low levels in FCC streams. This has been forwarded to BIS committee for its further scrutiny and approval. Also, in-house analytical procedures were developed for COD measurement in highly chlorinated water. P-value instrument was installed and commissioned which further enhanced the reliability of VBU plant.

2. Benefits derived as a result of the R&D

At the Refinery, VBU conversion was optimized keeping fuel oil stability within limit; New product carbon black feed stock has been developed from FCCU slurry oil; Vacuum Gas Oil cut point could be raised to 570 + °C.

22 crudes were tried in 2008-2009 and TBP analysis helped in their selection and blending for processing.

Bitumen trial was successful. Bitumen production could be maximized which resulted savings in high value cutter i.e. mainly diesel component.

3. Future plans of action

In the Refinery, the Company is making investment in Research and Development and planning to carryout the following activities in the coming year:

- Optimization of refinery processes to maximize distillate yields and reduction in heavy ends.
- RSA (Residue Stability Analysis) is being carried out jointly with an external agency for evaluation of stability of Crude, Vacuum Residue and Visbroken Vacuum Residue. This will also indicate fouling potential. A data base of RSA value of individual crudes and various crude blends is being generated for further research on crudes compatibility.
- ATF colour improvement study is being done by use of resins. Pilot plant study is being planned after initial success at laboratory level.
- Implementation of Advanced Process Control.
- Lean oil draw off from FCCU.
- Development of process models for all units for efficient monitoring and control.
- FCCU catalyst and additives for enhancing bottom cracking and reducing gasoline sulfur.
- High TAN crude processing.
- Use of anti fouling agent for enhancing VBU run length and energy efficiency.
- Refractory coating in Furnaces for enhancing efficiency.

- Exploring possibility of oxidizing spent caustic thereby reducing the hazards and making safe for disposal. This shall also reduce load on ETP and reduce chemical consumption. In the Mehsana field studies are in progress for use of solar lighting in the field.

4. Expenditure on R&D during the year:

| | |
|---|-----------------|
| a. Capital | : Rs 343.0 lakh |
| b. Recurring | : Rs 505.0 lakh |
| c. Total | : Rs 848.0 lakh |
| d. Total R&D expenditure as a percentage of revenue | : 0.02% |

Technology absorption, adaptation and innovation

1. Efforts, in brief made towards technology absorption, adaptation and innovation

With a view to produce green fuels, appropriate technologies have been selected from the reputed process vendors. Adequate care has been taken for production of Euro III / Euro IV standard products while minimizing operating cost. The Company has adapted the latest technologies available and many of the features are new to the industry. Operating personnel are trained by the Licensors. In the Mehsana Block, annulus heater treater technology has been adopted.

2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.

In the Refinery, performance of the process units have achieved design objectives and in many cases surpassed them. Reliability of the plants is very high. Integration between the units could be made and considerable savings have been achieved. In the Mehsana Block, viscous crude could be brought to surface.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

a. Technology imported

The Refinery has adapted the following technologies for deriving the latest technological advances:

| | |
|------------------------------------|---------------------------------|
| Crude/Vacuum Distillation Unit | : ABB Lummus Crest, Netherlands |
| Visbreaker Unit | : Axens, France |
| Catalytic Reforming Unit | : Axens, France |
| Diesel Hydro-desulphurization Unit | : Axens, France |
| Fluidized Catalytic Cracking Unit | : Stone & Webster, USA |

b. Year of import

The above technologies were selected during the different phases of the project and the units were started up during 2006-2007 and 2007-2008.

c. Has technology been fully absorbed

Yes. All the technologies have been fully absorbed. Process plants are operating successfully meeting all the expectations.

d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.

Not Applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

f) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:

With the growth of Indian economy, the consumption of petroleum products has grown significantly. India continues to be heavily dependent on imports for meeting its crude oil requirements. The Company's efforts have been to supply maximum quantity of its products to PSU oil companies. However, with the country having enough refining capacity, surplus products produced from the Company's Refinery over and above the domestic requirement are exported.

g) Total foreign exchange used and earned:

Particulars relating to Foreign Exchange outgo and earnings appear in Note No. B (8) of Schedule XVI to the Annual Accounts.

Annexure B to the Directors' Report**MANAGEMENT DISCUSSIONS AND ANALYSIS****Industry Outlook**

The year 2008-2009 was unprecedented year in the history of oil, indeed of the global economy. World economy shrank across all industries. Economic pundits predicted a gloomy depression last seen in 1930's. Oil was no exception. West Texas Intermediate crude rose from US \$101/bbl (per barrel) in the beginning of the year (April 2008) to US \$147/bbl in July 2008 and slid very quickly within a period of 5 months to its lowest level of US\$32.40/bbl by 19th December, 2008. By the end of March 2009, it had marginally recovered to US \$49.65/bbl. Oil market has never seen such turbulence. Economic downturn resulted into demand destruction of 1.3 MMb/d (million barrels per day). This is against an increase in demand forecast at plus 1.5 MMb/d made for 2008. Many refineries across the world cut throughputs. Weak crude oil demand generated huge stockpiles of refined products. Crude inventories in the United States have reached their highest levels in 19 years. In addition, well over 100 million barrels of crude and refined products are estimated to be stored in floating storages. Many projects have been shelved because of the poor economics associated with weaker oil prices. The International Energy Agency of the US Administration (IEA) and other forecasters have said underinvestment ultimately means prices will rally sharply once an economic recovery stimulates demand.

As with other activities in the Oil and Gas sector, the worldwide outlook for Exploration and Production (E&P) spending has taken a big hit during 2008-2009. The global financial turmoil, falling oil demand and lower oil and gas prices continue to take their toll on E&P and service companies. Increasing production costs and reduced capital availability has resulted into shrinkage of exploration projects. Some analysts report that the spending in this sector will fall by as much as 25% in 2009. In addition, the potential reduction in credit availability has turned the outlook for this sector to negative.

Indian scenario

The Indian economy did not fully face the same recessionary pressure as the global economy. Consumption of petroleum products remained healthy. At 132.41 MMT, there was an increase of 4% in 2008-2009 as compared to the previous year. Consumption of High Speed Diesel (HSD) and Motor Spirit (MS) has shown a growth with a rise of 8.4% and 9% respectively over the previous year. At the same time the heavy ends/distillates have shown declines in consumption except Bitumen which has seen 4% growth. The growth rates of some products such as Aviation Turbine Fuel (ATF) have shown decline towards the close of the year recording a negative growth of 9% in February 2009 and March 2009 as compared to corresponding months of the previous year. Growth rates of MS and HSD has seen positive growth even in February and March 2009. Coupled with the drop in international prices, retail business for MS and HSD has got an impetus and the government subsidy has declined.

India continues to be heavily dependent on imports for meeting its crude oil requirements. The marginal decline in domestic crude oil production coupled with spur in domestic demand, has increased the crude oil imports to around 79 % of total requirement. The domestic production of crude oil during the year 2008-2009 stood at around 33.51 MMT while imports were almost of the order of 121.56 MMT.

The Government of India continues to encourage exploration activity in this region to increase the production of Oil & Gas. With the success of New Exploration Licensing Policy (NELP) & Coal Bed Methane (CBM) rounds, the government announced NELP-VII offering 57 oil & gas blocks during last year. Government of India has announced the eighth round of New Exploration Licensing Policy (NELP-VIII) on 9th April 2009 and it is offering the highest ever number of 70 exploration blocks covering an area of about 163,535 sq. km. In addition 10 blocks under the fourth round of Coal Bed Methane Policy (CBM-IV) for exploration and

production of Coal Bed Methane have been offered covering an area of about 5000 sq. km., spread over seven States. This offers opportunity for companies undertaking this kind of activity.

Towards the end of 2008-2009, another 28 MMTPA of refining capacity was added, raising the refinery capacity in India to 179 MMTPA. With a consumption of around 132.41 MMTPA in 2008-2009, the country continues to have surplus refining capacity. This surplus refining capacity is expected to only increase in near future with more refineries being announced in the public sector and the expansion of your Company's refining capacity. India in general and west coast of Jamnagar in particular is set to become a major refining hub in this part of the world supplying some of the best quality fuel around the world.

As per Government of India provisional figures released for 2008-2009 the export of petroleum has declined to a level of 36.42 MMT in 2008-2009 as compared to 40.78 MMT in 2007-2008. With the full production of your Company's Refinery absorbing some of the domestic demand, the import of petroleum products showed a decline in 2008-2009 to 18.29 MMT as compared to 22.46 MMT in 2007-2008.

The Refinery

The year 2008-2009 was the first year of commercial production of your refinery. The main thrust during the year was on consolidation of operations. The Fluidized Catalytic Cracker (FCC), the main margin earner, was commissioned in December 2007 and we could stabilize its operation within three months of its commissioning which is a record in the Industry. During the period from May 2008 to March 2009, the refinery processed 11.95 Million tonnes of crude oil. While the Crude Distillation Unit (CDU) operated at almost 125% of its capacity, all other units operated well beyond their name plate capacities.

Global economic downturn and its impact on refining industry demanded drastic cost reduction. Your refinery was able to effectively put a check on fuel loss at 6.45% and operating cost at US \$0.82 a barrel by sensitizing all employees and maintaining a constant focus on cost. By use of off-gases in power generation and optimisation in steam consumption, the Refinery could eliminate import of electricity and achieved substantial reduction in fuel consumption in steam generation.

On the product side, extensive modification on war footing, exhaustive laboratory study and operational trial made production of value added products such as bitumen possible. The refinery could virtually eliminate naphtha production by absorption in diesel which helped in enhancing Gross Refining Margins (GRM). The commissioning of the Gas Authority of India (GAIL) pipeline for LPG in August 2008 ensured an economical mode of movement of LPG out of the refinery.

Your Company has paid attention to upgradation of talent and skills in the refinery staff and management as well as enhancing the management systems.

Quality Assurance:

Your refinery has the state of the art ISO certified laboratory which is well equipped to monitor the quality of finished products. An important addition to the laboratory has been the True Boiling Point (TBP) cut apparatus that has enabled testing of cuts of crudes used in the refinery thereby optimizing the cuts to obtain the best products at the least possible cost.

The laboratory has been given a Four Star rating by the British Safety Council and has participated in an International Inter Laboratory Cross Check Programme (ILCP) conducted by the American Society for Testing and Materials (ASTM) committee. The laboratory has been awarded Certificate of Type Approval by the Centre for Military Airworthiness Certification (CEMILAC) and Approved Vendor status by the Directorate General of Aeronautical Quality Assurance (DGAQA), for supply of ATF to the Indian Armed Forces.