

**INFRANORTH LIMITED**

**ANNUAL REPORT AND  
FINANCIAL STATEMENTS**

**for the year ended 30 September 2019**

Company Registration No. 11253606 (England and Wales)

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COMPANIES HOUSE

**INFRANORTH LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

W M Iqbal

P V Poojara

**REGISTERED OFFICE**

5<sup>th</sup> Floor  
The Administration Building  
Stanlow Manufacturing Complex  
Ellesmere Port  
CH65 4HB

**AUDITOR**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

## INFRANORTH LIMITED

### DIRECTORS' REPORT

The directors present their annual report and financial statements for the year ended 30 September 2019.

#### Principal activities

The principal activity of the company is to own the Northampton Fuel Terminal, which is used to store petroleum products.

#### Results and dividends

The results for the year are set out on page 7. The company was dormant in the previous year and has commenced operations in the current year.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Going concern

The company's revenues are derived from the income it generates by trading with its parent company Essar Midlands Limited (EML). EML's revenues are in-turn dependent on the income it generates by trading with its parent company Essar Oil UK Limited (EOUK). In the consolidated financial statements of EOUK for the period ending 30 September 2019, having considered the impact of Covid19 on the business, the EOUK directors concluded that there is a material uncertainty that the EOUK, and its subsidiaries (together the "Group") will be able to operate as a going concern. The uncertainty relates to the delivery and timing of the available possible solutions in order to generate sufficient liquidity to meet the deferred VAT payment in March 2021 by EOUK. The directors of EOUK have further expressed their opinion that notwithstanding this material uncertainty, the Board's confidence in the Group's forecasts and ability to deliver on the potential solutions noted in adequate detail in EOUK's financial statements supports their preparation of the financial statements on a going concern basis.

The Directors also remain in discussion with its Shareholder, EML for its support and the Shareholder, in return, has stated that it remains committed to the business.

Therefore, we have concluded that there is a material uncertainty that may cast significant doubt that the company will be able to operate as a going concern. Notwithstanding this material uncertainty, the Board's confidence in the Group's forecasts and ability to deliver on the potential solutions noted in the financial statements of EOUK supports our preparation of the financial statements on a going concern basis.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N Beedham  
W M Iqbal  
P V Poojara

(Resigned 31 October 2018)  
(Appointed 30 October 2018)  
(Appointed 10 December 2018)

## INFRANORTH LIMITED

### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

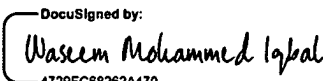
#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

#### Small companies exemption

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

DocuSigned by:  
  
4729FC68262A470...  
Waseem Mohammed Iqbal,  
Director  
13 Jul 2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INFRANORTH LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Infranorth Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 1 in the financial statements regarding the company's ability to continue as a going concern; this is dependent on the ability of the Group Company, Essar Oil (UK) Limited, and its subsidiaries (together the "Group") being able to generate sufficient cashflows in order to meet a deferred VAT payment in March 2021. As stated in note 1 in the financial statements, these events or conditions, along with the other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's, and therefore the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

#### **Matters on which we are required to report by exception**

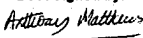
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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Anthony Matthews FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, UK  
13 July 2020

**INFRANORTH LIMITED**
**INCOME STATEMENT**  
**For the year ended 30 September 2019**


	Note	Year ended 30 Sept 2019 \$	Year ended 30 Sept 2018 \$
Revenue	2	1,943,997	-
Administrative expenses		(2,028,547)	-
<b>Operating loss</b>	4	(84,550)	-
Interest Income	5	275	-
<b>Loss before tax</b>		(84,275)	-
Tax on loss	0	16,012	-
<b>Loss and total comprehensive income for the financial year</b>		(68,263)	-



**INFRANORTH LIMITED****STATEMENT OF FINANCIAL POSITION  
As at 30 September 2019**

		<b>30 Sept 2019</b>	<b>30 Sept 2018</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Current assets</b>			
Other receivables	7	589,819	-
Cash and cash equivalents		-	1
Current tax receivable		16,012	-
		<u>605,831</u>	<u>1</u>
<b>Current liabilities</b>			
Borrowings	8	6,021	-
Trade and other payables	9	666,684	-
Taxation and social security		1,379	-
		<u>674,084</u>	<u>-</u>
<b>Net current liabilities</b>		<u>(68,253)</u>	<u>1</u>
<b>Total assets less current liabilities</b>		<u>(68,253)</u>	<u>1</u>
<b>Net (liabilities) / assets</b>		<u>(68,253)</u>	<u>1</u>
<b>Equity</b>			
Share capital	10	10	1
Retained surplus		(68,263)	-
<b>Total equity</b>		<u>(68,253)</u>	<u>1</u>

The financial statements of Infranorth Limited were approved by the board of directors and authorised for issue on 10 July 2020 and signed on its behalf by:

DocuSigned by:  
  
 4728FC68262A470...  
 Waseem Mohammed Iqbal,  
 Director

**INFRANORTH LIMITED****STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30 September 2019**

		<b>Share capital \$</b>	<b>Retained surplus / (deficit) \$</b>	<b>Total equity \$</b>
<b>At 14 March 2018</b>	<b>Note</b>	-	-	-
Issue of share capital	10	1	-	1
<b>At 30 September 2018</b>		<b>1</b>	<b>-</b>	<b>1</b>
Profit and total comprehensive income for the period		-	(68,263)	(68,263)
Issue of share capital	10	9	-	9
<b>At 30 September 2019</b>		<b>10</b>	<b>(68,263)</b>	<b>(68,263)</b>

## INFRANORTH LIMITED

### NOTES TO THE FINANCIALS STATEMENTS For the year ended 30 September 2019

#### 1. Accounting policies

##### Company information

Infranorth Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5th Floor, The Administration Building, Stanlow Manufacturing Complex, Ellesmere Port, Cheshire, CH65 4HB.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

##### Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in US dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost basis. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- inclusion of an explicit and unreserved statement of compliance with IFRS;
- presentation of a Statement of Cash Flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the Statement of Comprehensive Income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information;
- for financial instruments measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of Essar Oil (UK) Limited. The group accounts of Essar Oil (UK) Limited are available to the public and can be obtained from the registered office address of 5th Floor, The Administration Building, Stanlow Manufacturing Complex, Ellesmere Port, Cheshire, CH65 4HB.

Other than going concern there are no critical accounting judgements or key areas of significant estimation uncertainty.

##### Going concern

As noted in the Director's report, the revenues are dependent on the performance of parent company, Essar Midlands Limited (EML) and its parent company, Essar Oil UK Limited (EOUK). In line with the conclusion by EOUK directors, the directors have concluded that there is a material uncertainty that may cast significant doubt that the company will be able to operate as a going concern. Notwithstanding this material uncertainty, the Board's confidence in the Group's forecasts and ability to deliver on the potential solutions noted in the financial statements of EOUK supports our preparation of the financial statements on a going concern basis.

## **INFRANORTH LIMITED**

### **NOTES TO THE FINANCIALS STATEMENTS** **For the year ended 30 September 2019**

#### **Accounting policies (Continued)**

##### **Revenue**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Financial assets**

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

##### **Financial assets held at amortised cost**

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

##### **Impairment of financial assets**

Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

##### **Derecognition of financial assets**

Financial assets are derecognised only 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 to another entity.

## **INFRANORTH LIMITED**

### **NOTES TO THE FINANCIALS STATEMENTS For the year ended 30 September 2019**

#### **Accounting policies (Continued)**

##### **Financial liabilities**

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

##### **Other financial liabilities**

Other financial liabilities, including trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

##### **Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### **Taxation**

The tax expense represents the tax currently payable.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

**INFRANORTH LIMITED****NOTES TO THE FINANCIALS STATEMENTS**  
**For the year ended 30 September 2019****2. Revenue**

	<b>Year ended 30 Sept 2019 \$</b>	<b>Year ended 30 Sept 2018 \$</b>
<b>Revenue analysed by class of business</b>		
Rendering of services	1,943,997	-
<b>Other revenue</b>		
Interest Income	275	-

**3. Employees**

The company did not have any employees in either the current or preceding year. Directors remuneration was borne by another Group company.

**4. Operating loss**

	<b>Year ended 30 Sept 2019 \$</b>	<b>Year ended 30 Sept 2018 \$</b>
Operating loss for the period is stated after charging/(crediting)		
Exchange gains	(66,002)	-
Auditor's remuneration was borne by another Group company		

**5. Interest Income**

	<b>Year ended 30 Sept 2019 \$</b>	<b>Year ended 30 Sept 2018 \$</b>
Other Interest income	275	-

**INFRANORTH LIMITED****NOTES TO THE FINANCIALS STATEMENTS**  
**For the year ended 30 September 2019****6. Taxation**

	Year ended 30 Sept 2019 \$	Year ended 30 Sept 2018 \$
<b>Current Tax</b>		
UK corporation tax on profits for the current period	(16,012)	-

The total tax (credit)/charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows

	Year ended 30 Sept 2019 \$	Year ended 30 Sept 2018 \$
Loss before taxation	(84,275)	-
Expected tax charge based on a corporation tax rate of 19.00% (2018: 19.00%)	(16,012)	-
<b>Taxation charged for the period</b>	(16,012)	-

**7. Trade and other receivables**

	30 Sept 2019 \$	30 Sept 2018 \$
Trade receivables	40,690	-
Other receivables	9	-
VAT recoverable	103,436	-
Amount owed by parent undertaking	392,710	-
Prepayments and accrued income	52,974	-
	589,819	-

**8. Borrowings**

	30 Sept 2019 \$	30 Sept 2018 \$
<b>Unsecured borrowings at amortised cost</b>		
Bank overdrafts	6,021	-

**Analysis of borrowings**

Borrowings are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows

Current liabilities	6,021	-
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**INFRANORTH LIMITED****NOTES TO THE FINANCIALS STATEMENTS**  
**For the year ended 30 September 2019****9. Trade and other payables**

	<b>30 Sept 2019</b>	<b>30 Sept 2018</b>
	<b>\$</b>	<b>\$</b>
Trade payables	615,338	-
Accruals and deferred income	51,346	-
	<u>666,684</u>	<u>-</u>

**10. Share capital**

	<b>30 Sept 2019</b>	<b>30 Sept 2018</b>
	<b>\$</b>	<b>\$</b>
<b>Ordinary share capital</b>		
<b>Authorised, issued and fully paid</b>		
10 ordinary shares of \$1 each		
Trade payables	10	1
	<u>10</u>	<u>1</u>

Reconciliation of movements during the year:

	<b>Number</b>
At 1 October 2018	1
Issue of fully paid shares	9
	<u>10</u>
At 30 September 2019	<u>10</u>

**11. Reserves****Retained earnings**

Retained earnings represents the cumulative profit and loss of the company net of distributions to owners.

**12. Controlling Party**

The immediate parent company of Infranorth Limited is Essar Midlands Limited, a company incorporated in the UK. The registered office address of the immediate parent company is the same as that of Infranorth Limited.

The ultimate parent company of Infranorth Limited is Essar Global Fund Limited, a company incorporated in the Cayman Islands, whose controlling parties are the Virgo Trust and the Triton Trust, discretionary trusts whose beneficiaries include, among others, companies whose controlling shareholders are Mr Ravi Ruia and Mr Prashant Ruia.

The smallest group into which these accounts are consolidated is Essar Oil (UK) Limited. Copies of the financial statements of Essar Oil (UK) Limited are available from its registered office address, which is the same as that of Infranorth Limited. The largest group into which these accounts are consolidated is Essar Energy Limited, a company incorporated in the UK. Copies of the financial statements of Essar Energy Limited are available from the registered office at 2nd Floor, East Wing, Lansdowne House, 57 Berkeley Square, London W1J 6ER.