

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of **VADINAR OIL TERMINAL LIMITED** will be held at the Registered Office of the Company at Essar Refinery Site, 39KM Stone, Jamnager Okha Highway (SH-25), Khambalia, District Devbhumi Dwarka - 361305, Gujarat on Friday, September 29, 2017 at 11:00 a.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, 2017 together with the reports of Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 together with the report of Auditors thereon.
3. To appoint auditors and fix their remuneration.

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm registration number 301003E/E300005), be and are hereby appointed as Statutory Auditors of the Company, in place of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm registration number 117366W/W-100018) whose tenure expires at the conclusion of the Twenty Fourth Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors of the Company.

RESOLVED FURTHER THAT M/s S. R. Batliboi & Co. LLP, Chartered Accountants, if appointed, shall hold the office for a period of five years, from the conclusion of the Twenty Fourth Annual General Meeting till the conclusion of the Twenty Ninth Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting held after the Twenty Fourth Annual General Meeting, and the Board of Directors of the Company (which shall be deemed to include the Audit Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

SPECIAL BUSINESS

4. Appointment of Mr. B. Anand as Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies

Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force) (“Act”), Mr. B. Anand (DIN: 02792009), who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 5, 2017 pursuant to Section 161 of the Act and who holds office until the date of the next Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

5. Appointment of Mr. C. Manoharan as Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force) (“Act”), Mr. C. Manoharan (DIN 00184471), who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 14, 2017 pursuant to Section 161 of the Act and who holds office until the date of the next Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

6. Appointment of Ms. Gayathri S. as Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force) (“Act”), Ms. Gayathri S. (DIN 07115908), who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 5, 2017 pursuant to Section 161 of the Act and who holds office until the date of the next Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

7. Appointment of Mr. Mohan Lal Sharma as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161, Schedule IV and other applicable provisions

of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) ("Act"), Mr. Mohan Lal Sharma (DIN 02724685), who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 14, 2017 pursuant to Section 161 of the Act and who holds office until the date of the next Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of three years with effect from August 14, 2017 to August 13, 2020."

8. Appointment of Capt. Alok Kumar as Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Capt. Alok Kumar (DIN07151716), who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 14, 2017 pursuant to Section 161 of the Act and who holds office until the date of the next Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company."

9. Appointment of Capt. Alok Kumar as Whole time Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, the consent of the members be and is hereby accorded to the appointment of Capt. Alok Kumar (DIN 07151716) as Whole time Director of the Company for a period of five years from August 14, 2017 to August 13, 2022 (both days inclusive), on terms and conditions including remuneration as set out in the Explanatory Statement annexed to this Notice which is hereby specifically approved with the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) being authorised to alter and vary the terms and conditions of appointment and/or

remuneration including period in office, as it may deem fit, within the parameters set out in the Explanatory Statement, without being required to seek any further consent or approval of the members, and subject to the remuneration not exceeding the limits specified under Section 197 read with Schedule V of the Act."

"RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

10. To approve the remuneration paid to Capt. Deepak Sachdeva as Whole time Director in the financial year 2016-17

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

"RESOLVED THAT in furtherance to the resolution passed by the members at the Annual General Meeting of the Company held on September 26, 2014, and pursuant to the provisions of sections 197, 198, Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for time being in force) (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force) and subject to such approvals, consents, permissions as may be required from any person or authority, and subject to any conditions and/or modifications as may be imposed and/or suggested by such authority while granting such approvals, consent of the members of the Company be and is hereby accorded by way of a special resolution for the remuneration paid to Capt. Deepak Sachdeva as Whole time Director of the Company in the financial year ended on March 31, 2017 as set out in the Explanatory Statement annexed to this Notice, which was in excess of the limits for total managerial remuneration specified in Schedule V of the Act, which is hereby specifically approved."

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

By order of the Board of Directors

Nihar Avasare
Company Secretary

Place: Mumbai
Date: September 5, 2017

Registered Office:

Essar Refinery Site, 39KM Stone, Okha Highway (SH-25), Khambalia
Jamnagar - 361 305, Gujarat, India
Corporate Identity Number: U35111GJ1993PLC053434
Phone : 91 02833 661444, Fax: 91 02833 662929
Email : votlcosec@essaroil.co.in

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 11:00 a.m. on September 27, 2017.**
3. The Board of Directors of the Company has been reconstituted on August 14, 2017. Approval of the Shareholders is being sought for appointment of newly appointed Directors pursuant to provisions of sections 149 and 152 of the Companies Act, 2013. Accordingly, there are no directors who are retiring by rotation at this Annual General Meeting.
4. 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.
5. 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.
6. Physical copies of Notice of Annual General Meeting, attendance Slip and Proxy form are being sent by permitted mode to all the members. Members may further note that the said documents will also be available on the Holding Company's website <http://essaroil.co.in> and at website of the service provider providing 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 email ID viz. votlcosec@essaroil.co.in
7. 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 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 Equinox Business Park, 5th Floor, Tower-2, Off Bandra Kurla Complex, L.B.S. Marg, Kurla (W), Mumbai - 400070.
8. 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.

9. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
10. 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.
11. 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 Pvt. Ltd. The prescribed form in this regard may also be obtained from M/s. Data Software Research Company Pvt. Ltd. It can also be downloaded from the Holding Company's website.
12. The particulars of the venue of the Meeting including route map and prominent land mark has been enclosed for easy location.
13. 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 24, 2017
End of remote e-voting:	Up to 5:00 p.m. of September 28, 2017

Remote e-voting shall not be allowed beyond 5:00 p.m. of September 28, 2017. 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 the purpose of remote e-voting is September 22, 2017.

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 September 1, 2017 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 22, 2017.
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 22, 2017 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 Pvt. Ltd at 044-28213738 or send email at B.Rajaratnam@dsrc.co.in.
8. The Board of Directors of the Company has appointed Mr. Prakash Pandya (Membership No. FCS – 3901 COP No. 2311) of M/s P. K. Pandya & Co., 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 scrutineriser will also be placed on the website of the Holding Company viz. <http://essaroil.co.in> 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 physical copy of this Notice is being sent to all the members by courier. Member(s) may obtain a password for casting his / her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at the toll free no.: 1800-222-990" providing the details such as Demat account no or Folio no, PAN no, etc.

Please note that In case Shareholders are holding shares in demat mode, User ID is the combination of (DPID+ClientID) and in case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No). If you are already registered with NSDL for remote e-voting then you can use your existing User ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or by contacting NSDL at the toll free no.: 1800-222-990.

The member(s) is advised to take the following steps for casting his / her vote by remote e-voting:

- (a) Launch internet browser and type the URL: <https://www.evoting.nsdl.com/>.
- (b) Click on "Shareholder - Login".
- (c) Enter user ID and password. Click Login.
- (d) Home page of remote e-voting opens. Click on "remote e-voting: Active Voting Cycles".
- (e) Select "E-voting event number" (EVEN-107677) of "Vadinar Oil Terminal Limited" for casting your vote.
- (f) Now you are ready for remote e-voting as "Cast Vote" page opens.
- (g) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (h) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (i) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (j) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to info@pkpandya.com with a copy marked to evoting@nsdl.co.in.
- (k) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

Annexure to Notice

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 10 of the accompanying Notice:

Item No. 3

Under the provisions of section 139(2) of the Companies Act, 2013 (the "Act"), statutory auditors cannot be re-appointed on completion of two consecutive terms of five years each. To comply with these provisions, the Act provided for a transition period of three years to companies, whose accounts were audited by audit firms for more than ten years as of April 1, 2014. The current statutory auditors, M/s Deloitte Haskins & Sells, Chartered Accountants, have been auditors of the Company for a period of over ten years as of April 1, 2014 and hence the Company has availed the benefit of the transition period which came to an end on March 31, 2017. Consequently, the Company is required to appoint a new audit firm to audit its books of account for financial year ending March 31, 2018 onwards.

On the recommendations of the Audit Committee, the Board of Directors recommends the appointment of M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm registration number 301003E/E300005), as statutory auditors, for a period of five years from the conclusion of the ensuing 24th Annual General Meeting to the conclusion of 29th Annual General Meeting. M/s S. R. Batliboi & Co. LLP have confirmed that they are eligible to be appointed as Auditors and are not disqualified to act as Auditors as per the applicable provisions of the Act and have also given their consent to act as Auditors of the Company.

Item Nos. 4 to 6

In accordance with the Share Purchase Agreements dated October 15, 2016 (collectively the "SPAs") entered into inter-alia amongst Essar Energy Holdings Limited and Oil Bidco (Mauritius) Limited (the erstwhile controlling shareholders of the Holding Company, Essar Oil Limited) and Petrol Complex Pte. Limited ("Petrol Complex") and Kesani Enterprises Company Limited ("Kesani"), the entire non-public share capital of the Company was acquired by Essar Oil Limited ("EOL") and accordingly the Company became subsidiary of EOL. Accordingly with the change in ownership, the Board of Directors of the Company was re-constituted. All Directors except for Captain B S Kumar, Independent Director resigned from the Board. The Board of Directors of the Company in their meeting held on August 14, 2017 appointed Mr. C. Manoharan as Non Executive Director and Captain Alok Kumar as Whole-time Director of the Company. Further the Board of Directors at its Meeting held on September 5, 2017 has appointed Mr. B. Anand and Ms. Gayathri S. as Non-Executive Directors. In terms of section 161(1) of the Companies Act, 2013 (Act) and Articles of Association of the Company, the above said Additional Directors would hold office up to the date of the forthcoming Annual General Meeting. Under Section 152 of the Act, the appointment to the office of additional director requires approval of the members by passing Ordinary Resolution.

The Company has received from each of the Directors, consent to act as Director of the Company and also declaration confirming that s/he is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The Company has also received notice in writing, under Section 160 of the Companies Act, 2013, from members proposing the appointment of above said persons as Directors of the Company.

As required under Secretarial Standard 2 specified by Institute of Company Secretaries of India and approved by the Central Government, the details of the Directors proposed to be appointed are appended at the end of the Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except the respective Directors, to whom the resolution for appointment of respective directors relates, are concerned or interested, financially or otherwise, in the resolution mentioned at Item Nos. 4 to 6 of the Notice.

All the Directors proposed to be appointed are highly qualified and experts in their respective fields. The Board is of the opinion that the association of these individuals would be beneficial to the Company. Accordingly the Board recommends the resolutions set forth in Item Nos. 4 to 6 for the approval of the members of the Company as Ordinary Resolutions.

Item No. 7

Pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to have minimum two independent directors who are not liable to retire by rotation and who shall hold office for a term of upto five years. They may be appointed for a maximum of two consecutive terms.

Mr. V. G. Raghavan, who was an Independent Director had resigned with effect from August 14, 2017. In his place the Board of Directors at its meeting held on the same day had appointed Mr. Mohan Lal Sharma as an Independent Director for a period of three years to hold office from August 14, 2017 to August 13, 2020. The Company has received from Mr. Mohan Lal Sharma his consent to act as Director and other relevant disclosures. He has also given a disclosure that he meets the criteria of independence prescribed under Section 149 of the Companies Act, 2013. In the opinion of the Board he is independent of management.

Requisite notice along with the deposit as prescribed under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Mohan Lal Sharma has been received. The terms and conditions of appointment of Mr. Mohan Lal Sharma shall be open for inspection by any member at the registered and corporate offices of the Company during business hours on any working day except Saturday, Sunday and Holidays.

The details of Mr. Mohan Lal Sharma as required under Secretarial Standard 2 are provided in this Notice. Considering the rich and varied experience of Mr. Mohan Lal Sharma the Board is of the opinion that that the appointment of Mr. Mohan Lal Sharma would be beneficial to the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Mohan Lal Sharma, are concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 7 of the Notice.

Accordingly the Board recommends to the shareholders the resolution in item number 7 for their approval.

Item Nos. 8 and 9

Capt. Deepak Sachdeva who was appointed as Whole-time Director has tendered his resignation with effect from August 14, 2017. In his place the Board of Directors at the meeting held on August 14, 2017 had appointed Capt. Alok Kumar as an Additional Director and thereafter as Whole-time Director for a period of five years with effect from August 14, 2017 to August 13, 2022.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, Capt. Alok Kumar holds office of Director till the date of the ensuing Annual General Meeting. Approval of shareholders is required under section 152 of the Act for appointment of Capt. Alok Kumar as Director liable to retire by rotation. Hence, the resolution at Item no. 8 is being proposed for approval of shareholders.

Further under the provisions of Section 196 and 197 read with Schedule V of the Companies Act, 2013 appointment of Capt. Alok Kumar as Whole time Director for a period of five years from August 14, 2017 to August 13, 2022 will require approval of shareholders. Hence, the resolution at Item No. 9 is being proposed for approval of shareholders.

The Company has received consent from Capt. Alok Kumar to act as Director and also declaration confirming that he is not disqualified from being appointed as Director in terms of Section 164 of the Act. The Company has also received a notice in writing from a member proposing appointment of Capt. Alok Kumar as Director of the Company.

The Board was informed that Capt. Alok Kumar is a Nautical Sciences graduate from T. S. Chanakya, one of India's premier nautical college. After passing out in 1994 he joined Shipping Corporation of India as Trainee Nautical Officer. He grew in ranks and sailed with various shipping companies and became a Master in the year 2006.

Capt. Alok Kumar joined Vadinar Oil Terminal Limited (VOTL) in January 2008 as Port Captain. He spent his initial years stabilising Marine Operations at Vadinar. He became Head Marine in April 2013 and is responsible for managing all aspect of the Marine Terminal including Operations, HSE and Maintenance. Under his leadership throughput of Marine facilities increased to 30 MMTPA.

He played a key role in getting several awards and certifications for VOTL. Under his leadership, the Company secured various accolades including the prestigious 5 star rating on Occupational Health, Safety and Environment, by the British Safety Council. Special tasks where he led VOTL's successful efforts include commissioning of second berth in 2009, construction and replacement of new SPM in 2011 besides successful turnaround of offshore facilities during 2011 and 2015.

He is an avid reader. He is a Master (Foreign Going) and a qualified Risk Assessor and Lead Auditor for Quality & Security Management System.

The remuneration payable to Capt. Alok Kumar on his appointment as Whole time Director is ₹ 49 lakhs p.a. comprising of basic salary, allowances and perquisites including house rent allowance, special allowance, reimbursement of expenses for operating vehicle for official use, entertainment, telephone, professional pursuit and medical expenses, food coupons, leave travel allowance and contribution to provident fund, all as per Company rules. In addition, he will be paid annual performance linked incentive of ₹ 21 lakhs which depending on performance of the Company and his performance assessed as per Company policy can range from 100% to 200% of the Annual Performance Linked incentive as may be decided by the Board / Nomination and Remuneration Committee. In addition to the salary and annual performance linked incentive, Capt. Alok Kumar shall be paid a retention bonus of ₹ 10 lakh each per annum for three consecutive years beginning August 2017 and ending in August 2019. He will also be covered under Company's Provident Fund /Gratuity / Hospitalisation / Health Insurance / Group Personal Accident Scheme/ and mobile reimbursement policy. The Board/ Nomination and Remuneration Committee of the Board is authorized to increase remuneration payable to Capt. Alok Kumar annually, based on the performance of the Company and his individual performance, provided that remuneration in any financial year shall not exceed the limits, for that financial year, specified under Section 197 of Companies Act, 2013. The perquisite value of the facilities / benefits / allowances and performance linked incentive shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 and the Rules framed thereunder.

In the event of loss or inadequacy of profits in any financial year during the period of appointment, the remuneration payable by way of salary, perquisites, allowances and performance linked incentive as aforesaid and as revised by Nomination and Remuneration Committee from time to time will be paid to Capt. Alok Kumar as minimum remuneration subject to the remuneration not exceeding the limits specified under Section 197 and Schedule V of the Companies Act, 2013.

The Board of Directors is of the opinion that the appointment of Capt. Alok Kumar as Whole time Director of the Company from August 14, 2017 to August 13, 2022 and payment of proposed remuneration to Capt. Alok Kumar would be in the interest of your Company.

Except for Capt. Alok Kumar, 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. 8 and 9 of the Notice.

The Board recommends the resolution at Item No 8 and 9 of the Notice for your approval.

Item No. 10

The members of the Company at their 21st Annual General Meeting held on September 26, 2014 approved the reappointment of Capt Deepak Sachdeva as Whole time Director for a period of three years with effect from October 18, 2014. At the time of his appointment, the remuneration payable was within the limits of total managerial remuneration payable to directors in accordance with and subject to the provisions of sections 197 read with section 198 and Schedule V of the Companies Act, 2013 as per the net profits of the Company as per the latest audited financial statements.

However, as per the audited balance sheet of the Company for the financial year ended March 31, 2017, the net profits of the Company are inadequate under the provisions of sections 197 read with sections 198 and Schedule V of the Act. Due to the said inadequacy of profits, approval of the members at General Meeting is required in terms of section 197(3) read with Schedule V of the Act for payment of managerial remuneration to Whole-time Director for the financial year 2016-17.

The relevant information required to be provided to members as per Schedule V of the Act is set out below:

I General Information

(1) Nature of Industry:

The Company provides ports and terminal facilities. It is an existing company engaged in providing facilities for storage and handling of liquid cargo of Refinery of Essar Oil Limited.

(2) Commencement of commercial production:

The Company is an operating entity. The Company commenced its commercial production in the year 2008.

(3) Financial performance:

(₹ in crore)

Financial parameters	Financial year ended March 31		
	2015@	2016@	2017*
Revenue from Operations (Including other Income)	584.07	538.04	1588.58
Earnings before finance cost, depreciation and amortization, exceptional items and tax (EBIDTA)	426.17	440.04	1358.27
Net profit/(loss) after tax as per Statement of Profit & Loss	39.08	16.92	(564.56)
Net profit / (loss) computed u/s 198 of the Act	57.72	23.83	(393.07)

@figures as per previous IGAAP

*figures as per Indian Accounting Standards (IndAS)

Note: Profit / (Loss) for the FY 2016-17 is as per Ind AS and for the FY 2014-15 and FY 2015-16 is as per Previous GAAP.

(4) Foreign investments and collaborations, if any:

No foreign investment or collaboration was made in the Company. However pursuant to the Scheme of Arrangement approved by the Honourable High Court of Gujarat at Ahmedabad amongst the Company, Vadinar Ports & Terminals Limited, Essar Power and Minerals Limited, Yash Hotels Private Limited, Hazira Coke Limited and Essar Ports Limited (the Scheme) effective July 1, 2016.

Essar Ports & Shipping Limited (EPSL), Mauritius became the holding company of your Company.

The shares held by EPSL were subsequently acquired by Essar Steel Jharkhand Limited (ESJL) and as a consequence, ESJL became the holding company of your Company effective March 31, 2017.

Accordingly for a short period of time the Company was a subsidiary of a foreign Company.

II Information about Whole-time Director

Capt Deepak Sachdeva

Capt. Deepak Sachdeva, aged 44 was serving as a whole time Director since October 18, 2011 and was responsible for all the day to day operations of the Company subject to superintendence and control of the Board of Directors. Capt. Deepak Sachdeva played a stellar role in the successful operation of the Company.

Capt. Sachdeva joined Essar Shipping Limited in 1993 as a cadet and sailed in Essar Shipping till becoming Captain. Thereafter he joined the Company on December 27, 2005 as a Port Captain and was promoted to Head Marine in January 2007. He was elevated to Chief Operating Officer in 2011 and Chief Executive Officer in November 2015.

Capt. Deepak Sachdeva is a Master (Foreign Going) and a qualified Risk Assessor and Lead Auditor for ISO 9000, 14000, 18000 and 28000. He does not hold any shares in the Company and he is not related to any director or key managerial personnel of the Company. During the year under review he attended four out of four meetings of the Board. He is a director in Salaya Bulk Terminals Limited, Essar Bulk Terminal (Salaya) Limited, Essar Dredging Limited, Petro Tankages India Limited and Vega Marine Consultants Private Limited. He is not a member or chairman of any committees of the Board in any company where he is a Director. During the year ended March 31, 2016, he was paid remuneration of ₹ 80.88 lacs. He has been awarded as Certified Lead Auditor, ISO 9000, 14000 and 29000 certified risk assessor. Besides performance in the terminal operations, he has been responsible for securing several awards and certifications including the prestigious Sword of Honor and double five star recognition by the British Safety Council. He has been a part of various functional and Governmental and Non-Governmental Committees.

Since the Company is not listed, it does not include section on "Corporate Governance" in its Annual Report. During the financial year 2016-17 Capt. Sachdeva has been paid remuneration of ₹ 94,63,752 which included ₹ 32,02,308 as basic salary, ₹ 25,74,453 as perquisites and allowances, ₹ 32,03,114 as performance linked incentive ₹ 4,83,877 towards contribution to Provident Fund and other Superannuation funds.

The remuneration paid/proposed to be paid to the Capt. Deepak Sachdeva is comparable with the remuneration being paid for similar assignments in the industry.

Capt. Deepak Sachdeva during his tenure in office did not have direct or indirect pecuniary relationship with the Company or relationship with the managerial personnel other than getting remuneration as the Whole-time Director of the Company. Capt. Deepak Sachdeva is not related to any Director or any other key managerial personnel of the Company. None of the Directors/Key managerial personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 10 of the Notice.

III Other information

(1) Reasons for inadequacy of profits, if any

The Company has been generating profits in the preceding three financial years. In the financial year ended March 31, 2017 the Company generated Earnings before Interest Tax Depreciation and Amortization (EBITDA) of ₹ 1358.27 crores. In spite of a good EBITDA the Company has incurred a loss of ₹ 564.56 crore mainly due to losses arising out of certain one- times exceptional item which are detailed below:-

- a The Company was under Corporate Debt Restructuring (CDR) Scheme which governed term loans and funded interest. The Company has proposed to exit the CDR and in view hereof certain provisioning was required to be made which has impacted the profit and loss account to the extent of ₹ 363.83 crore. The additional liability determined based on the revised terms as per the CDR Scheme, has increased the interest expenses for the Company.
- b Loss of ₹ 177.50 crore on re-assessment of the Company's ability to collect certain receivables.
- c Loss of ₹ 377.35 crore on extinguishment of lease arrangement

(2) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

As stated above, the Company generated EBITDA of ₹ 1,358.27 crore in the current year i.e. 2016-17. The operations of the Company were more than satisfactory. The losses incurred in FY 2016-17 are exceptional in nature and are not expected to repeat. The entire stake in the Company has been acquired, from the controlling shareholders (other than the public shareholders) by Essar Oil Limited which is the captive user of the crude and product handling and storage facility services being provided by the Company. On account of the acquisition, the Company will be benefitted by better synergies between operations of the Company and that of Essar Oil Limited.

There was a delay in repayment of debts or interest due thereon for a continuous period of thirty days to certain tenders in the financial year (2013-14) preceding the re-appointment of Capt. Sachdeva. Accordingly, the Company is seeking approval of central government for payment of remuneration to Captain Deepak Sachdeva for the financial year 2016-17.

None of the 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. 10 of the Notice.

Accordingly, the Directors recommend the resolution at Item Nos. 10 of the Notice for your approval.

By order of the Board of Directors

Nihar Avasare
Company Secretary

Place: Mumbai

Date: September 5, 2017

Registered Office:

Essar Refinery Site, 39KM Stone, Okha Highway (SH-25), Khambalia Jamnagar - 361 305, Gujarat, India
Corporate Identity Number: U35111GJ1993FLC053434
Phone : 91 02833 661444, Fax: 91 02833 662929
Email : votlcosec@essaroil.co.in

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

Particulars	Mr. B. Anand	Mr. C. Manoharan	Ms. Gayathri S	Mr. Mohan Lal Sharma
Age	53	63	53	68
Qualification	Bachelor's degree in Commerce from Nagpur university and Chartered Accountant	Chemical Engineer from Calicut University	Chartered Accountant	BSc (Chemistry Hons) from Delhi University, Civil Engineering upto final year in Delhi College of Engineering, MA in Economics from Karnataka University, MSc in Forest economics from University of Alberta, Canada under Commonwealth scholarship and a PhD from University of Newcastle upon Tyne, UK in Valuation techniques of Protected Areas
Experience	Mr. B. Anand worked as Chief Financial Officer of Trafigura India Private Limited, since July 2012 based in Mumbai. Currently he is working as Chief Executive Officer of Essar Oil Limited. He has almost 30 years of experience in the field of corporate finance, strategy and investment banking. Prior to Trafigura he worked with Future Group, Vedanta Resources, Motorola India, Credit Lyonnais Bank, HSBC, IL&FS Limited and Citibank. Mr. Anand is also the Independent Non-Executive Chairman of Just Dial and an Independent Director in Reliance Retail Group.	Mr. Manoharan started his career in 1977 at Indian Oil Corporation Limited (IOCL) and handled a variety of key assignments in various positions in Refining Operations, Maintenance, and Technical Services at Gujarat Refinery, Panipat Refinery as well as Head Office (Refinery Division). His last assignment with IOCL was at Panipat Refinery as Executive Director prior to joining Essar Oil Limited. Currently he is working as Director & Head of Refinery of Essar Oil Limited. Mr. Manoharan has also worked for 2 years on deputation to Nigeria providing technical assistance to the operating personnel at Port Harcourt Refinery of NNPC. He was a Board member and also served as Chairman of Indian Oil Technologies Limited. He also has the distinction of being the first Indian to be on the panel of NPRA's Q&A 2003 session held at New Orleans in U.S.A.	Ms. Gayathri S. joined the Essar Group in November, 2009 as Group Head, Direct Taxes. In this role, she managed a corporate team that handled tax matters for six businesses and multiple tax jurisdictions in the areas of tax strategies and planning, transactions and structuring, transfer pricing, litigation and day to day advisory, besides driving tax related systems and process improvements. Currently, she is working as Senior Vice President and Head Taxation of Essar Oil Limited. Gayathri carries with her 27 years of post-qualification experience and prior to joining the corporate domain, her career was in the area of consultancy services. Immediately prior to joining Essar, she was Partner, Tax and Regulatory services at Grant Thornton, and before that, she worked with KPMG and A.F. Ferguson & Co in senior positions. A frequent speaker at various tax based conferences, and presently, a member of the Direct Tax committees of CII, Indian Merchants' Chambers, ICAI, and FICCI and has been involved in making representations to the Government on various proposed legislations and the annual budget exercise, besides to the OECD on the recent slew of anti-tax avoidance measures proposed by them.	Mr. Mohan Lal Sharma retired as the Principal Chief Conservator of Forests, Gujarat in 2009. Mr. Sharma joined Indian Forest service in 1973. During his service period with the Government of India, he had worked as Deputy Director (Project Tiger), Director Animal welfare, Deputy inspector General of Forests (Fire Fighting) and Director (Animal Welfare). He also served at various levels in the State of Gujarat viz Chief General Manager, Gujarat State Forest Development Corporation, Chief Conservator of Forests, Development & Management, Principal Chief Conservator of Forests, Principal Chief Conservator of Forests & Head of Forest Force. He had been associated in biodiversity related issues after his retirement from the Indian Forest service in 2009. He was also a member of Infrastructure and CRZ and building construction Expert appraisal Committee of MOEF for 6 years.

Particulars	Mr. B. Anand	Mr. C. Manoharan	Ms. Gayathri S	Mr. Mohan Lal Sharma
Terms and conditions of appointment/re-appointment	Subject to retirement by rotation	Subject to retirement by rotation	Subject to retirement by rotation	Appointed as an Independent Director of the Company for a period of 3 years w.e.f. August 14, 2017 to August 13, 2020. Further he shall not be liable to retirement by rotation
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	Sitting fees and Commission on profits as may be approved by the Board from time to time
Remuneration last drawn	Not applicable	Not applicable	Not applicable	Not applicable
Date of first appointment by the Board	September 5, 2017	August 14, 2017	September 5, 2017	August 14, 2017
Shareholding in the Company	Nil	Nil	Nil	Nil
Relationship with other directors, KMPs	Not related	Not related	Not related	Not related
Number of meetings of the Board attended during the year	Not applicable	Not applicable	Not applicable	Not applicable
Other directorships	<ul style="list-style-type: none"> • Just Dial Limited • Ryker Base Private Limited • Reliance Trading Limited • Vadinar Power Company Limited 	<ul style="list-style-type: none"> • Vadinar Power Company Limited, (VPCL) • Vadinar Properties Limited (VPL) • Essar Oil Limited • Vadinar Liquid Terminals Limited (VLTL) 	Nil	<ul style="list-style-type: none"> • Bhandar Power Limited (BPL) • Vadinar Power Company Limited (VPCL) • Essar Power Hazira Limited (EPHL) • Vadinar Properties Limited (VPL)
Chairmanship of committee of other Boards	Nil	Nil	Nil	Nil
Membership of committee of other Boards	Nil	<ul style="list-style-type: none"> • Nomination and Remuneration Committee of VPL and VPCL • CSR, Sustainability and Safety Committee of VPCL 	Nil	<ul style="list-style-type: none"> • Audit Committee and Nomination and Remuneration Committees of BPL, VPCL, EPHL and VPCL • CSR, Sustainability and Safety Committee of VPCL

Particulars	Capt. Alok Kumar
Age	45
Qualification	BSc (Nautical Sciences) from T. S. Chanakya, one of India's premier nautical college
Experience	As mentioned in explanatory statement to item number 8 & 9
Terms and conditions of appointment / re-appointment	To hold office for a period of five years w.e.f. August 14, 2017 to August 13, 2022
Remuneration sought to be paid	As mentioned in explanatory statement to item number 8 & 9
Remuneration last drawn	Not Applicable
Date of first appointment by the Board	August 14, 2017
Shareholding in the Company	Nil
Relationship with other directors, KMPs	Not Applicable
Number of meetings of the Board attended during the year	Not Applicable
Other directorships	Vega Marine Consultants Private Limited (Dormant Company)
Chairmanship of committee of other Boards	Nil
Membership of committee of other Boards	Nil