

## VADINAR OIL TERMINAL LIMITED

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

# Notice

NOTICE is hereby given that Twenty Fifth Annual General Meeting of the members of VADINAR OIL TERMINAL LIMITED will be held at the Registered Office of the Company at Nayara Energy Refinery Complex, Khambhalia Post (39th km. stone on Jamnagar-Okha Highway), District Devbhumi Dwarka -361 305, Gujarat on Friday, September 14, 2018 at 12:00 noon, 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, 2018 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, 2018 together with the report of Auditors thereon.
3. To appoint a Director in place of Mr. C Manoharan (DIN 00184471) who retires from office by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

#### 4. Appointment of Mr. Anup Vikal 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. Anup Vikal (DIN: 03171808), who was appointed by the Board of Directors as an Additional Director of the Company with effect from January 22, 2018 pursuant to Section 161 of the Act and who holds office up to the date of the next Annual General Meeting and in respect of whom the Company has received 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. Adoption of new set of Articles of Association of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded, to adopt a new set of Articles of Association of the Company, a draft of which is submitted to this meeting (which is hereby specifically approved), in substitution of the existing Articles of Association of the Company."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to undertake all such acts, steps, deeds, matters and things and give such directions as may be deemed necessary, proper, desirable and expedient in its absolute discretion, and to settle any question, difficulty or doubt that may arise in this regard without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution."

#### 6. To approve the remuneration paid to Capt. Deepak Sachdeva as Whole time Director in the financial year 2017-18

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 (DIN 05176410) as Whole time Director of the Company during the financial year ended on March 31, 2018, 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."

7. **To approve the remuneration paid to Capt. Alok Kumar as Whole time Director in the financial year 2017-18 and revision of remuneration payable to him**

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 29, 2017, 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 the 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. Alok Kumar (DIN 07151716) as Whole time Director of the Company during the financial year ended March 31, 2018 as set out in the Explanatory Statement annexed to this Notice, which along with the remuneration paid to other wholetime director during the financial year ended March 31, 2018 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** 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 payment of remuneration to Capt. Alok Kumar (DIN 07151716) as Whole time Director of the Company for a period of three years from April 1, 2018, 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 remuneration, 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 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:** August 3, 2018

**Registered Office:**

Nayara Energy Refinery Site, 39 KM Stone  
 Okha Highway (SH-25), Khambhalia  
 Dist. Devbhumi Dwarka – 361305, Gujarat.  
 Corporate Identity Number: U35111GJ1993PLC053434  
 Phone: +91 02833 661444, Fax: +91 02833 662929  
**e-mail:** votlcosec@nayaraenergy.com

**Notes:**

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting, i.e. before 12.00 noon on Wednesday, September 12, 2018.**
3. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as a proxy on behalf of not more than 50 (fifty) members and holding in aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company between 10:00 a.m. to 1:00 p.m., provided that not less than three days of notice in writing of the intention so to inspect the proxies is given to the Company.

5. The notice of Annual General Meeting, attendance slip and proxy form is being sent by electronic mode to all the members who have registered their email IDs with the depository participants (DP) / Share transfer agent (STA) unless where any member has requested for the physical copy. Physical copies of said documents are being sent by permitted mode to members who have not registered their email IDs. Members may further note that the said documents will also be available on the Holding Company's website [www.nayaraenergy.com](http://www.nayaraenergy.com) 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 i.e. [votlcosec@nayaraenergy.com](mailto:votlcosec@nayaraenergy.com).
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays, 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 Tower 2, Equinox Business Park, L. B. S. Marg, Off Bandra Kurla Complex, Kurla (W), Mumbai – 400 070.
7. Pursuant to Section 101 of the Act and Rules made there under, companies are allowed to send communication to members electronically. We thus request you to kindly register/update your email IDs with your respective DP (in case of electronically held shares) and Company's Share Transfer Agents (in case of shares in physical form) and make this initiative a success.
8. Members / proxies should bring the attendance slip duly filled in for attending the meeting.
9. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Annual General Meeting.
10. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to M/s. Data Software Research Company Private Limited. The prescribed form in this regard may also be obtained from M/s. Data Software Research Company Private Limited.
11. The particulars of the venue of the Meeting including route map and prominent land mark has been enclosed for easy location.
12. 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 : From 8.00 a.m. of September 9, 2018  
remote e-voting

End of remote : Up to 5.00 p.m. of September 13, 2018  
e-voting

Remote e-voting shall not be allowed beyond 5.00 p.m. of September 13, 2018. 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 7, 2018.

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

2. The notice of AGM will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on August 10, 2018 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 facility for voting through ballot paper will be made available at the AGM and the Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right at the AGM.
4. 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.
5. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
6. 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.
7. 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 7, 2018.

8. Any person, who acquires shares of the Company and becomes member after dispatch of the notice and holding shares as of the cut-off date i.e. September 7, 2018 may obtain the login ID and password by sending a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Members may also contact Mr. Benjamin Rajaratnam of the Share Transfer Agent i.e. Data Software Research Company Private Limited at 044-28213738 or send email at [B.Rajaratnam@dsrc.co.in](mailto:B.Rajaratnam@dsrc.co.in).
9. The Board of Directors of the Company has appointed Mr. Prakash Pandya (Membership No. FCS – 3901 COP No. 2311) or failing him Ms. Reena Raphael Anthony (Membership No. ACS 48557, COP No. 20255) 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.
10. 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.
11. 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.
12. The result of the remote e-voting along with the report of scrutiner will also be placed on the website of the holding company i.e. [www.nayaraenergy.com](http://www.nayaraenergy.com) and on the website of NSDL.
13. The scrutinizer's decision on the validity of remote e-voting will be final.

## INSTRUCTIONS FOR REMOTE E-VOTING

The instructions for equity shareholders for e-voting are as under:

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

**Step 1: Log-in to NSDL e-Voting system at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).**

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

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

- (iv) Your User ID details are given below:

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

- (v) Your password details are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your email ID is not registered, your 'initial password' is communicated to you on your postal address.



- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- (vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (viii) Now, you will have to click on "Login" button.
- (ix) After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.  
How to cast your vote electronically on NSDL e-Voting system?**

- (i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- (ii) After click on Active Voting Cycles, you will be able to see all the companies E-voting Event Number ("EVEN") in which you are holding shares and whose voting cycle is in active status.
- (iii) Select "EVEN" 108925 of "Vadinar Oil Terminal Limited" for casting your vote.
- (iv) Now you are ready for e-Voting as the Voting page opens.
- (v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- (vi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- (i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [info@pkpandya.com](mailto:info@pkpandya.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- (iv) Any person, who acquires shares of the Company and becomes a shareholder after dispatch of the Notice and holding shares as on the cut-off date of September 7, 2018 may obtain the login id and password by sending a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Members may also contact Mr. Benjamin Rajaratnam of the Share Transfer Agent i.e. Data Software Research Company Private Limited at 044 28213738 or send e-mail at [b.rajaratnam@dsrco.in](mailto:b.rajaratnam@dsrco.in).

# ANNEXURE TO NOTICE

As required by Section 102 of the Companies Act, 2013, and Secretarial Standard 2 following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice:

## Item No. 4

The Board of Directors on the request of Nayara Energy Limited (formerly Essar Oil Limited) appointed Mr. Anup Vikal as Non-Executive Director of the Company in place of Mr. B. Anand. Mr. Anup Vikal joined the Board as an Additional Director in terms of the provisions of Section 161 of the Companies Act, 2013 w.e.f. January 22, 2018 to hold office till the date of ensuing Annual General Meeting. In terms of the provisions of Section 152 of the Companies Act, 2013, appointment of Mr. Anup Vikal is subject to approval of the members by Ordinary Resolution.

The Company has received from Mr. Anup Vikal consent to act as Director of the Company, other disclosures and 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 under Section 160 of the Companies Act, 2013, from a member proposing the appointment of Mr. Anup Vikal as Director of the Company.

As required under Secretarial Standard 2 specified by the Institute of Company Secretaries of India, the details of Mr. Anup Vikal 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 Mr. Anup Vikal, are concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

## Item No. 5

The Company has refinanced all its pre-existing long term borrowings and Yes Bank Limited is now the sole lender of the Company. To meet the conditions set out in the financing documents, Yes Bank Limited has suggested certain amendments to be carried out in the Articles of Association ("AoA") of the Company. Further to align the Articles of Association of the Company with the provisions of the Companies Act, 2013 certain amendments are proposed to be carried out. Accordingly, it is thought prudent to adopt new set of Articles of Association of the Company. The draft of the revised Articles of Association of the Company has been uploaded on the website of holding company Nayara Energy Limited i.e. [www.nayaraenergy.com](http://www.nayaraenergy.com) for perusal of the Members which shall also be available for inspection at the Registered Office of the Company, till the date of Annual General Meeting, during normal business hours on any working day, excluding Saturday and Sunday. The shareholders of the Company can also obtain a copy of the draft AoA by giving a written request to the Company Secretary.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, adoption of new set of Articles of Association is subject to approval

of shareholders by Special Resolution. The draft AoA are subject to the comments and approval, if any of the lender of the Company.

The Board of Directors of the Company at its Meeting held on August 3, 2018 approved the adoption of new set of AoA subject to approval of the Members by special resolution in terms of the provisions of Section 14 of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, are concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 5 of the Notice.

The Board recommends the special resolution, as set out at Item No. 5 of the accompanying Notice, for approval by the Members.

## Item No. 6 and 7

The members of the Company at their 21st Annual General Meeting held on September 26, 2014 had approved the re-appointment of Capt Deepak Sachdeva as Whole time Director for a period of three years with effect from October 18, 2014. Capt Sachdeva ceased to be a Director w.e.f. August 14, 2017. Subsequently at the Annual General Meeting held on September 29, 2017, the members had approved appointment of Capt. Alok Kumar as Whole time Director for a period of five years w.e.f. August 14, 2017 in his place.

At the time of the appointment of Capt. Deepak Sachdeva, the remuneration payable to him was within the limits of total managerial remuneration payable to directors in accordance with and subject to the provisions of Section 197 read with Section 198 and Schedule V of the Companies Act, 2013. Further when Capt. Alok Kumar was appointed as Wholetime Director of the Company the shareholders approved the remuneration payable to him subject to it not exceeding the limits set out in Section 197 read with Schedule V of the Act.

However, as per the audited financial statements of the Company for the financial year ended March 31, 2018, the net profits of the Company are inadequate under the provisions of Section 197 read with Section 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 Directors for the financial year 2017-18.

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 Nayara Energy 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:**

(Rs. in crore)

Financial parameters	Financial year ended March 31		
	2016@	2017*#	2018*
Revenue from Operations (Including other Income)	538.04	1,730.89	1,501.95
Earnings before finance cost, depreciation and amortization, exceptional items and tax (EBIDTA)	440.04	1,358.27	1,343.15
Net profit/(loss) after tax as per Statement of Profit & Loss	16.92	(430.76)	65.15
Net profit / (loss) computed u/s 198 of the Act	23.83	(393.07)	(251.83)

@figures as per previous IGAAP

\*figures as per Indian Accounting Standards (IndAS)

#restated numbers

**(4) Foreign investments and collaborations, if any:**

No foreign investment or collaboration was made in the Company.

**II Information about Whole-time Directors****Capt Deepak Sachdeva**

Capt. Deepak Sachdeva, aged 45 was serving as a Whole time Director since October 18, 2011 and was reappointed as Whole time Director with effect from October 18, 2014. He was responsible for all the day to day operations of the Company subject to superintendence and control of the Board of Directors. He stepped down from the Board w.e.f. August 14, 2017.

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 two out of three meetings of the Board during the period when he

was a Board member. Currently as per the records available with the Registrar of Companies, he is a director in EPC Offshore Subsea Projects Limited, Essar Dredging Limited, Petro Tankages India Limited and Vega Marine Consultants Private Limited. He was not a member or chairman of any committees of the Board in any company where he was a Director. During the year ended March 31, 2017, he was paid remuneration of Rs. 94.64 lacs. Besides performance in the terminal operations, he was 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 2017-18 Capt. Sachdeva has been paid remuneration of Rs. 1,58,43,643. As required under clause (IV)(iv) Section II Part II of Schedule V details of remuneration paid to Capt. Deepak Sachdeva during the previous financial year 2017-18 as stated above comprises of Rs. 10,67,436 as basic salary, Rs. 14,18,377 as perquisites and allowances, Rs. 47,54,488 as performance linked incentive, Rs. 1,28,092 towards contribution to Provident Fund and other Superannuation funds and Rs. 84,75,250 as one time ex-gratia payment. As mentioned above Capt. Deepak Sachdeva was appointed on October 18, 2014 with a service contract of 3 years and notice period of 3 months. There was no separate provision for payment of severance fee to Capt. Deepak Sachdeva. He was not given any stock options during the financial year 2017-18. However in the past he had been given stock options by erstwhile holding Company, Essar Ports Limited.

On account of inadequacy of profits in the financial year 2017-18 as computed under Section 198 of the Act, in terms of Section 197 read with Schedule V of the Act, approval of the shareholders is sought for the remuneration of Rs. 1,58,43,643/- paid to Capt. Deepak Sachdeva in financial year 2017-18.

The remuneration paid to 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.

**Capt. Alok Kumar**

Capt. Alok Kumar, aged 46 is serving as Whole time Director of the Company since August 14, 2017 and is responsible for all the day to day operations of the Company subject to superintendence and control of the Board of Directors.

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 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 all three meetings of the Board held during his tenure. Currently he is a director in Vega Marine Consultants Private Limited. He is a member of CSR, Safety and Sustainability Committee of VOTL. Besides this he is not a member or chairman of any committees of the Board in any other company where he is a Director. During the year ended March 31, 2018, he was paid remuneration of Rs. 49.96 lacs. 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.

Since the Company is not listed, it does not include section on "Corporate Governance" in its Annual Report. During the financial year 2017-18 Capt. Alok Kumar has been paid remuneration of Rs. 49,96,075. As required under clause (IV) (iv) Section II Part II of Schedule V details ore remuneration paid to Capt. Alok Kumar during the previous financial year 2017-18 as stated above comprises of which included Rs. 12,76,710 as basic salary, Rs. 12,89,466 as perquisites and allowances, Rs. 12,76,694 as performance linked incentive, Rs. 1,53,205 towards contribution to Provident Fund and other Superannuation funds and Rs. 10,00,000 as retention bonus. As mentioned above Capt. Alok Kumar was appointed on August 14, 2017 with a service contract of 5 years and notice period of 3 months. There was no separate provision for payment of severance fee to Capt. Alok Kumar. He was not given any stock options during the financial year 2017-18.

The remuneration payable to Capt. Alok Kumar for a period of three years starting from the financial year 2018-19, as Whole time Director is Rs. 52.92 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 Rs. 22.68 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 Rs. 10 lakh each per annum for three consecutive years i.e. in August 2017, August 2018 and 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 term of employment of Capt. Alok Kumar as Whole time Director for the period from April 1, 2018 to March 31, 2021, 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 Rs. 1.5 crore per annum.

On account of inadequacy of profits in the financial year 2017-18 as computed under Section 198 of the Act, in terms of Section 197 read with Schedule V of the Act, approval of the shareholders is sought for the remuneration of Rs. 49,96,074/- paid to Capt. Alok Kumar in financial year 2017-18.

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

Capt. Alok Kumar does 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. Alok Kumar is not related to any Director or any other key managerial personnel of the Company.

### III Other information

#### (1) Reasons for inadequacy of profits, if any

The Company has been generating profits in the past. In the financial year ended March 31, 2018 the Company generated Earnings before Interest Tax Depreciation and Amortization (EBITDA) of Rs. 1,343.15 crores. In spite of a good EBITDA the Company's profit after tax stood at Rs. 65.15 crore. Further the net loss computed under Section 198 of the Companies Act, 2013 was Rs. 251.83 crore mainly on account of losses in the previous financial



year arising out of certain exceptional and one time provisions like provision for Corporate Debt Restructure scheme of Rs. 363.83 crore, loss on re-assessment of recoverability of certain receivables of Rs. 177.50 crore and loss on extinguishment of lease arrangement of Rs. 377.35 crores.

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

The Company generated EBITDA of Rs. 1,343.15 crore in the current financial year 2017-18 compared to EBITDA of Rs. 1,358.28 crore in previous financial year 2016-17. The Company has also generated a PAT of Rs. 65.15 crore during the year. The operations of the Company during the year were satisfactory. As stated above, the net loss computed under Section 198 of the Companies Act, 2013 was Rs. 251.83 crore mainly on account of losses in the previous financial year arising out of certain exceptional items. The losses incurred in FY 2016-17 were exceptional in nature and are not expected to repeat. During the year, the entire stake in the Company has been acquired, from the controlling shareholders (other than the public shareholders) by Nayara Energy Limited (formerly known as Essar Oil Limited) which is the 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 Nayara Energy Limited and is expected to have steady state of income and profitability.

There was a delay in repayment of debts or interest due thereon for a continuous period of thirty days to certain

lenders in the financial year 2013-14 preceding the re-appointment of Capt. Sachdeva and in financial year 2016-17 preceding the year of appointment of Capt. Alok Kumar. Further the Company had refinanced all its loans and all the lenders existing during the financial years 2013-14 and 2016-17 have been repaid in full.

Except Capt. Alok Kumar who is interested in Resolution at Item No. 7 above, 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 Nos. 6 and 7 of the Notice.

Accordingly, the Directors recommend the resolutions at Item Nos. 6 and 7 of the Notice for your approval.

**By order of the Board of Directors**

**Nihar Avasare**  
**Company Secretary**

**Place:** Mumbai  
**Date:** August 3, 2018

**Registered Office:**  
Nayara Energy Refinery Site, 39 KM Stone  
Okha Highway (SH-25), Khambhalia  
Dist. Devbhumi Dwarka – 361305, Gujarat.  
Corporate Identity Number: U35111GJ1993PLC053434  
Phone: 91 02833 661444, Fax: 91 02833 662929  
e-mail: votlcosec@nayaraenergy.com

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

Particulars	C. Manoharan	Anup Vikal
<b>Age</b>	64	49
<b>Qualification</b>	Chemical Engineer from Calicut University	Bachelor of Engineering (Mechanical) and MBA
<b>Experience</b>	Mr. Manoharan is currently working as Director & Head of Refinery of Nayara Energy Limited. 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 Nayara Energy Limited. Mr. Manoharan had 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.	Mr. Anup Vikal is currently working as Chief Financial Officer of Nayara Energy Limited. He is a seasoned business leader with nearly 25 years' of experience in various aspects of finance across large multinational and professionally run Indian companies. Mr. Vikal has been responsible for large turnarounds of multibillion dollar businesses through managing capital, helping business growth both organically and inorganically in complex business structures and operating environments. He had managed conflicted business stakeholders across different geographies, challenging regulatory, statutory environments including managing numerous government disputes. Prior to joining Nayara Energy, he was working as Group Chief Financial Officer of Jasper India (Owner of Ecommerce market place- Snapdeal, Payments business- Free charge and Logistics business- Vulcan).
<b>Terms and conditions of appointment/ re-appointment</b>	Subject to retirement by rotation.	Upto the ensuing AGM. Proposed to be appointed as Non-Executive Director liable to retire by rotation.
<b>Remuneration sought to be paid</b>	Not Applicable	Not Applicable
<b>Remuneration last drawn</b>	Not Applicable	Not Applicable
<b>Date of first appointment by the Board</b>	August 14, 2017	January 22, 2018
<b>Shareholding in the Company</b>	Nil	Nil
<b>Relationship with other directors, KMPs</b>	Not Related	Not Related
<b>Number of meetings of the Board attended during the year</b>	3 out of 3	1 out of 1
<b>Other directorships</b>	<ul style="list-style-type: none"> <li>• Nayara Energy Limited</li> <li>• Vadinar Power Company Limited (VPCL)</li> <li>• Nayara Energy Properties Limited (NEPL)</li> <li>• Coviva Energy Terminals Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Vadinar Power Company Limited, (VPCL)</li> <li>• Coviva Energy Terminals Limited</li> </ul>
<b>Chairmanship of committee of other Boards</b>	Nil	Nil
<b>Membership of committee of other Boards</b>	<ul style="list-style-type: none"> <li>• CSR, Safety and Sustainability Committee of VPCL</li> <li>• Nomination and Remuneration Committee of NEPL</li> </ul>	<ul style="list-style-type: none"> <li>• Nomination and Remuneration Committee of VPCL</li> </ul>