

Essar Ports Limited

Annual Report 2012-13



CORPORATE INFORMATION

BOARD OF DIRECTORS (31.7.2013)

Dilip J. Thakkar
Independent Director

R. N. Bansal
Independent Director

Deepak Kumar Varma
Independent Director

T. S. Narayanasami
Independent Director

N. C. Singhal (w.e.f. 18.7.2013)
Independent Director

Dr. Jose Paul (w.e.f. 18.7.2013)
Independent Director

Michael P. Pinto (w.e.f. 18.7.2013)
Independent Director

P. K. Srivastava (w.e.f. 16.12.2012)
Director

Jan Adam
Director

Rajiv Agarwal
CEO & Managing Director

K. K. Sinha
Wholetime Director

Shailesh Sawa
Director Finance

COMPANY SECRETARY
Manoj Contractor

AUDITORS
Deloitte Haskins & Sells

AUDIT COMMITTEE

R. N. Bansal
Deepak Kumar Varma
T. S. Narayanasami

SHAREHOLDERS' GRIEVANCE COMMITTEE

R. N. Bansal
Deepak Kumar Varma
Rajiv Agarwal
Shailesh Sawa

SHARE TRANSFER COMMITTEE

Rajiv Agarwal
K. K. Sinha
Shailesh Sawa

COMPENSATION COMMITTEE

R. N. Bansal
Dilip J. Thakkar
Deepak Kumar Varma

REGISTRAR & TRANSFER AGENTS

Data Software Research Company Private Limited
19, Pycrofts Garden Road
Off. Haddows Road, Nungambakkam
Chennai 600 006
Tel: + 91 44 2821 3738, 2821 4487 Fax: +91 44 2821 4636
e-mail: essar.ports@dsr-cid.in

REGISTERED OFFICE

Administrative Building
Essar Refinery Complex
Okha Highway (SH-25)
Taluka Khambhalia
District Jamnagar, Gujarat 361 305
Tel: +91 2833 661449 Fax: +91 2833 662929
e-mail: epl.secretarial@essar.com

ADMINISTRATIVE OFFICE

Tower 2, Equinox Business Park
Off. Bandra Kurla Complex
L.B.S. Marg, Kurla (West)
Mumbai 400 070
Tel: +91 22 6733 5000 Fax: +91 22 6708 2188
e-mail: epl.secretarial@essar.com

NOTICE TO MEMBERS

Notice is hereby given that the Thirty-Seventh Annual General Meeting of Essar Ports Limited will be held at the Registered Office of the Company at Administrative Building, Essar Refinery Complex, Okha Highway (SH – 25), Taluka Khambhalia, Distt. - Jamnagar, Gujarat 361305 on Thursday, September 26, 2013 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended March 31, 2013 and the Audited Balance Sheet as on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in the place of Shri. Dilip J. Thakkar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Shri. T. S. Narayanasami, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint Messrs. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad having Registration No. 117365W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT Shri. P. K. Srivastava, who was appointed as an Additional Director by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT Shri. N. C. Singhal, who was appointed as an Additional Director by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257

of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

8. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT Dr. Jose Paul, who was appointed as an Additional Director by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

9. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED THAT Shri. Michael Pinto, who was appointed as an Additional Director by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

10. To consider and if thought fit, to pass with or without modification, the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approval from the Central Government or any other authority, as may be required, Shri. Rajiv Agarwal be and is hereby re-appointed as Managing Director of the Company for a period of three years with effect from July 24, 2013 on a remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting with liberty to the Board of Directors (hereinafter referred to as "the

Board" which term shall be deemed to include the Compensation Committee or any other committee of the Board formed for the purpose) to alter and vary the terms and conditions of the said appointment, as may be agreed to between the Board and Shri. Rajiv Agarwal."

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

11. To consider and if thought fit, to pass with or without modification, the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approval from the Central Government or any other authority, as may be required, Shri. Shailesh Sawa be and is hereby re-appointed as a Wholtime Director of the Company designated as Director Finance for a period of three years with effect from July 24, 2013 on a remuneration as set out in the Explanatory Statement annexed to the notice convening this meeting with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Compensation Committee or any other committee of the Board formed for the purpose) to alter and vary the terms and conditions of the said appointment, as may be agreed to between the Board and Shri. Shailesh Sawa."

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

12. To consider and if thought fit, to pass with or without modification, the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactments thereof, for the time being in force), enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the guidelines issued by the Government of India (GOI), the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and / or any other competent authorities and clarifications thereof, issued from time to time, the applicable provisions of Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such approvals, permissions, consents and sanctions, as may

be necessary from the GOI, RBI, SEBI and / or other competent authorities and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the Board, which term shall include any committee constituted / to be constituted by the Board for exercising the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and / or competitive basis, for such part of issue and for such categories of persons including employees of the Company as may be permitted), in one or more tranches, Equity Shares and / or Equity Shares through Global Depository Securities (GDSs) / Receipts (GDRs) and / or American Depository Receipts (ADRs) and / or Optionally / Compulsorily Convertible / Foreign Currency Convertible Bonds (FCCBs) and / or Convertible Bonds, Convertible Debentures, fully or partly and / or any other instruments / securities, convertible into or exchangeable with Equity Shares and / or securities convertible into Equity Shares at the option of the Company and / or the holder(s) of such securities and / or securities linked to Equity Shares and / or securities with or without detachable / non detachable warrants and / or warrants with a right exercisable by the warrant holders to subscribe to Equity Shares and / or any instruments (hereinafter referred to as 'Securities' which terms shall *inter alia* include Equity Shares) or combination of Securities, with or without premium as the Board may, at its sole discretion decide by way of one or more public and / or private offerings in domestic and / or one or more international markets(s), with or without green shoe option, and / or private placement or issue through Prospectus, Institutional Placement Programme, Qualified Institutions Placement in accordance with the Guidelines for Qualified Institutions Placement prescribed under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended or by anyone or more or a combination of the above modes / methods or otherwise and at such time or kinds, with or without an over allotment offer, and in one or more tranches, aggregating to an amount not exceeding US\$ 1,000,000,000 (United States Dollars One Billion only) or in equivalent Indian Rupees or any other currency to Domestic / Foreign Investors / Qualified Institutional Buyers / Institutional Investors / Foreign Institutional Investors/ Members / Employees / Non-Resident Indians / Companies / Bodies Corporate / Trusts / Mutual Funds / Banks / Financial Institutions / Insurance Companies / Pension Funds / Individuals or otherwise, whether shareholders of the Company or not and on such terms and conditions, as the Board may, at its sole discretion, at any time hereinafter decide."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with Lead Managers, Underwriters, Advisors, Merchant Bankers and / or other persons as appointed by the Company be and is hereby authorised to finalise the timing of the issue(s) / offering(s), including the

investors to whom the Securities are to be allotted and accept any modifications to the terms of issue as may be required and any other matter in connection with or incidental to the issue."

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

"RESOLVED FURTHER THAT:

- i. The equity shares issued and allotted directly or upon conversion, exchange, redemption or cancellation of other Securities when fully paid up, shall rank pari-passu with the existing equity shares of the Company;
- ii. The Relevant Date for determining the pricing of the Securities (whether on Qualified Institutions Placement to QIBs as per provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended or issue of equity shares underlying the GDSs / GDRs / ADRs or securities issued on conversion of FCCB(s) shall be the date of the meeting in which the Board decides to open the proposed issue or such date as may be notified by SEBI, the RBI or any other authority from time to time; and
- iii. For the purpose of giving effect to this resolution the Board be and is hereby authorised to do all such acts, deeds, matters and things as the Board may in its absolute discretion consider necessary, proper, expedient, desirable or appropriate for making the said issue as aforesaid and to settle any question, query, doubt or difficulty that may arise in this regard including the power to allot under subscribed portion, if any, in such manner and to such person(s) as the Board, may deem fit and proper in its absolute discretion to be most beneficial to the Company."

"RESOLVED FURTHER THAT such of these Securities to be issued, which are not subscribed, may be disposed off by the Board in such manner and on such terms including offering /

placing them with Banks / Financial Institutions / Mutual Funds or otherwise as the Board may deem fit and proper in its absolute discretion."

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

By Order of the Board

Mumbai
July 18, 2013

Manoj Contractor
Company Secretary

Registered Office:

Administrative Building, Essar Refinery Complex
Okha Highway (SH – 25), Taluka Khambhalia
District Jamnagar, Gujarat 361 305

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL ONLY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxy forms in order to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from September 23, 2013 to September 26, 2013, both days inclusive.
5. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to the Special Business at item Nos. 6 to 12 of the accompanying Notice is annexed.
6. Members desiring any information regarding the accounts are requested to write to the Company at Equinox Business Park, Tower-2 (First Floor), L.B.S. Marg, Off. Bandra Kurla Complex, Kurla (West), Mumbai 400 070 atleast 7 days before the date of the Meeting to enable the Company to keep the information ready.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 6

Shri. P. K. Srivastava has been appointed as an Additional Director of the Company with effect from October 16, 2012. In terms of Section 260 of the Companies Act, 1956 and in accordance with Article 73 of the Articles of Association of the Company, Shri. Srivastava holds office upto the date of the ensuing Annual General Meeting.

Shri. Srivastava has done his M.Sc., (Physics) from University of Lucknow (India) and M.A., (Management Studies) from University of Leeds (UK) and has been consistently placed in First Class / Distinction in academics.

Shri. Srivastava has a rich experience of 45 years in various commercial organisations in India and abroad (mainly Public Sector undertakings in India and Kingdom of Saudi Arabia) with about 15 years as Director on the Board of which 10 years as the Chairman and Managing Director of Shipping Corporation of India Limited, a group "A" Public Sector Undertaking in India with an annual turnover in excess of USD 1 billion.

Shri. Srivastava thereafter joined Emirates Trading Agency L.L.C., Dubai, UAE as Group Advisor (Trading & Shipping Division). Shri. Srivastava was responsible for the overall management of large business enterprises mainly in the fields of Shipping, Oil Transportation and Infrastructure Development.

Shri. Srivastava was the Chairman and Managing Director of Shipping Corporation of India Limited. He was the President of Indian National Shipowners' Association and Association of Multimodal Transport Operators of India.

He was also the Chairman of Irano-Hind Shipping Company Limited and Indian National Committee of American Bureau of Shipping (ABS) and Member of ABS and its council. He was also a Director on the Board of Steamship Mutual Underwriting Association Limited (SMUL), London, Indian Register of Shipping and Cochin Shipyard Limited. He also held the position of Chairman of India, Pakistan, Bangladesh, Ceylon Conference. Shri. Srivastava was also a member of Institute of Public Enterprises, Hyderabad, Board of Governors and World Maritime University and National Shipping Board.

Shri. Srivastava is currently a Director on the Board of following other public limited companies viz., Essar Shipping Limited, Essar Bulk Terminal Limited, Vadinar Oil Terminal Limited, Vadinar Ports & Terminals Limited, Essar Bulk Terminal Paradip Limited, Essar Oilfield Services India Limited, Essar Logistics Limited, Essar Paradip Terminals Limited and Essar Bulk Terminal (Salaya) Limited.

The Company has received a notice from a member under Section 257 of the Companies Act, 1956, with requisite deposit proposing the name of Shri. Srivastava as a candidate for the office of Director of the Company.

The Board is of the opinion that the appointment of Shri. Srivastava would be in the best interest of the Company. The Board accordingly recommends the resolution at item No. 6 of the accompanying notice for your approval.

None of the Directors other than Shri. Srivastava are concerned or interested in the resolution at item No. 6 of the accompanying Notice.

Item No. 7

Shri. N. C. Singhal has been appointed as an Additional Director of the Company with effect from July 18, 2013. In terms of Section 260 of the Companies Act, 1956 and in accordance with Article 73 of the Articles of Association of the Company, Shri. Singhal holds office upto the date of the ensuing Annual General Meeting.

Shri. Singhal is a post graduate in Economics, Statistics & Administration and is professionally educated from IIM, Ahmedabad and Kolkata and IIT, Kanpur.

Shri. Singhal had founded the erstwhile SCICI Limited and served as its Chief Executive Officer and Managing Director. Shri. Singhal has also served as a Senior Executive of The Industrial Credit & Investment Corporation of India Limited (since renamed as ICICI Limited) for 15 years and Oil & Natural Gas Commission. He has vast experience in the field of Banking and Finance.

Shri. Singhal has been a Banking Expert to the Industrial Development Bank of Afghanistan, Kabul and Consultant and Management Specialist with the Asian Development Bank, Manila.

Shri. Singhal is currently a director on the Board of following other public limited companies viz., Deepak Fertilisers and Petrochemicals Corporation Limited, Max India Limited, Birla Sunlife Asset Management Company Limited, Tolani Shipping Company Limited, SCI Forbes Limited, Binani Industries Limited, Forbes Bumi Armada Limited, Amal Limited, Capital First Limited, Forbes Bumi Armada Offshore Limited and Essar Bulk Terminal Limited.

Shri. Singhal is also Chairman of the Audit Committee of Deepak Fertilisers and Petrochemicals Corporation Limited, Max India Limited, Tolani Shipping Company Limited and Amal Limited and member of the Audit Committee of Binani Industries Limited and Capital First Limited. Mr. Singhal is also Chairman of the Shareholders' Grievance Committee of Amal Limited and member of the Shareholders' Grievance Committee of Max India Limited and Binani Industries Limited.

The Company has received a notice from a member under Section 257 of the Companies Act, 1956, with requisite deposit proposing the name of Shri. Singhal as a candidate for the office of Director of the Company.

The Board is of the opinion that the appointment of Shri. Singhal would be in the best interest of the Company. The Board accordingly recommends the resolution at item No. 7 of the accompanying notice for your approval.

None of the Directors other than Shri. Singhal are concerned or interested in the resolution at item No. 7 of the accompanying Notice.

Item No. 8

Dr. Jose Paul has been appointed as an Additional Director of the Company with effect from July 18, 2013. In terms of Section 260 of the Companies Act, 1956 and in accordance with Article 73 of the Articles of Association of the Company, Dr. Paul holds office upto the date of the ensuing Annual General Meeting.

Dr. Jose Paul is a post graduate in M.A. (Political Science) from the University of Mysore and has secured a PhD degree in Port Management from University of Wales, Cardiff, United Kingdom with considerable credit.

Dr. Paul is also a Fellow of the British Institute of Management (FBIM) and Chartered Institute of Transport, London (FCIT).

Dr. Paul has also published a number of papers on port and shipping in national and international magazines and journals.

Dr. Paul has won many awards and prizes, to mention a few, First Prize and the "Akiyama Award" in the International Essay Competition organised by the International Association of Ports and Harbours, Tokyo, Japan in 1986, Silver Medal and a Scroll at the World Port Conference held in Seoul, South Korea in May 1987 and the LIFE TIME ACHIEVEMENT AWARD instituted by EXIM INDIA Shipping Times received at Taj Coromandel, Chennai in July 2010 from Secretary (Shipping), Government of India for significant contribution made in the Maritime sector.

Dr. Paul was the Deputy Chairman, New Mangalore Port Trust from 1989 to 1994, Deputy Chairman & Acting Chairman, Jawaharlal Nehru Port Trust, New Mumbai from 1994 to 1997, Chairman, Mormugao Port Trust, Goa from 1997 to 2001 and Member, Executive Council, Indian Maritime University, Chennai for the period April 1, 2009 – March 31, 2011.

He was the only speaker invited from India by the International Association of Ports and Harbours to speak in the 21st World Port Conference held in May 1999 in Kuala Lumpur, Malaysia and again in the 22nd World Port Conference held in May 2001 in Montreal, Canada.

On the invitation of the UNCTAD, Dr. Paul attended the Expert Group meeting on globalisation of port logistics: opportunities and challenges for developing countries held on December 12, 2007.

Dr. Paul was also a part-time Lecturer, Department of Maritime Studies, University of Wales, Cardiff, UK (1985 – 1987) and Visiting Professor to Kellogg School of Management, Evanston, Illinois, US and prepared a profile of a research project on "The US legislation on advance presentation of vessel cargo manifest" (May to July 2003).

The Company has received a notice from a member under Section 257 of the Companies Act, 1956, with requisite deposit proposing the name of Dr. Paul as a candidate for the office of Director of the Company.

The Board is of the opinion that the appointment of Dr. Paul would be in the best interest of the Company. The Board accordingly recommends the resolution at item No. 8 of the accompanying notice for your approval.

None of the Directors other than Dr. Paul are concerned or interested in the resolution at item No. 8 of the accompanying Notice.

Item No. 9

Shri. Michael Pinto has been appointed as an Additional Director of the Company with effect from July 18, 2013. In terms of Section 260 of the Companies Act, 1956 and in accordance with Article 73 of the Articles of Association of the Company, Shri. Pinto holds office upto the date of the ensuing Annual General Meeting.

Shri. Pinto graduated in B.A. (Political Science) from University of Madras and M.A. (Sociology) from University of Delhi. He also holds the degree of MPA (Master of Public Administration) from Harvard.

Shri. Pinto began his working career as a management trainee with Hindustan Lever in 1966. On his selection into the Indian Administrative Service (IAS) he joined the Government and served with them till his superannuation in 2003.

The several assignments that he held include:

- CEO of the Maharashtra Industrial Development Corporation (MIDC)
- VC and MD of the Maharashtra State Road Transport Corporation
- CMD, Handicrafts and Handlooms Export Corporation of India (HHEC)
- Chairman of the Central Cottage Industries Corporation (CCIC)
- MD, Maharashtra State Finance Corporation, Minister (Economic) Embassy of India, Paris
- Chairman, Maharashtra State Electricity Board (MSEB)
- Director General (Shipping) Government of India
- Chairman, Jawaharlal Nehru Port
- Secretary (Shipping) Government of India.

The blend of experience, in the private sector where he started his career, as well as the several public enterprises, both at the state and the centre in which he served has given him a unique insight into private public partnerships and how they can be harnessed to increase welfare and improve economic conditions especially in developing countries.

A few among the many achievements of Shri. Pinto are as under:

At MSEB, following the Government's decision to order the stoppage of work on the Dhabol power project, Shri. Pinto assisted a special committee, appointed by the Government of Maharashtra, to re-frame the outlines of the project in a form that was more acceptable to the authorities concerned. All this was accomplished at a time when private power generation and the guidelines under which it could be allowed were still in their infancy.

As Director General of Shipping, Shri. Pinto was asked to head a National Shipping Policy Committee to formulate a long term perspective plan for Indian shipping. The report led to several new policy initiatives, notably the opening up of training in the maritime sector to private investment and also created an environment in which development and growth of the Indian fleet was placed on top of government's agenda.

Shri. Pinto's next assignment was with the Jawaharlal Nehru Port (JNP), India's largest container port and one that has placed India on the world map in the port sector. Both as Chairman of JNP as well as the Indian Ports Association (IPA), Shri. Pinto played a stellar role in opening the port sector to private investment and in popularising the concept of the landlord port. Thanks largely to these efforts, a sector that was long considered to be a government monopoly has attracted private investment, both private and foreign, of more than US\$ 2 billion. Shri. Pinto also headed a committee of management that successfully negotiated a settlement with workers of all major ports. For the first time in the history of the port sector, the agreement was for 10 years instead of the customary 4.

As Secretary to the Govt. of India, Shri. Pinto helped shape maritime policy and ensured a greater role for private investment in this sector. He forcefully articulated India's stand at several international fora like the IMO, the OECD and the International Association of Ports and Harbours (IAPH). He has been a speaker on port and shipping related matters at several international seminars. Shri. Pinto was the first (and so far the only) Indian to be elected as Vice Chairman of the council of the IMO.

After his retirement from government in 2003, Shri. Pinto was entrusted by the Government of Maharashtra to chair an expert group to prepare the case of the state government for enhanced assistance from the 12th Finance Commission. After this assignment was successfully completed, he was entrusted to chair the Maharashtra Board for Reconstruction of State Enterprises which he did till April 2005.

He was, till recently, the Vice Chairman of the National Commission for Minorities in the rank and status of Union Minister of State.

Shri. Pinto is currently a Director on the Board of following other public limited companies viz., Star Paper Mills Limited, Gateway Distriparks Limited, Infrastructure Leasing and Financial Services Limited, Gateway Distriparks (Kerala) Limited, Ashoka Buildcon Limited, Tolani Shipping Company Limited, SCI Forbes Limited and Snowman Logistics Limited.

Shri. Pinto is also Chairman of the Audit Committee of Gateway Distriparks (Kerala) Limited and Member of the Audit Committee of Gateway Distriparks Limited, Infrastructure Leasing and Financial Services Limited, Ashoka Buildcon Limited and Snowman Logistics Limited and member of the Shareholders' Grievance Committee of Ashoka Buildcon Limited.

The Company has received a notice from a member under Section 257 of the Companies Act, 1956, with requisite deposit proposing the name of Shri. Pinto as a candidate for the office of Director of the Company.

The Board is of the opinion that the appointment of Shri. Pinto would be in the best interest of the Company. The Board accordingly recommends the resolution at item No. 9 of the accompanying notice for your approval.

None of the Directors other than Shri. Pinto are concerned or interested in the resolution at item No. 9 of the accompanying Notice.

Item No. 10

Your Company develops and operates ports and terminals and is one of India's largest private-sector port company by capacity and throughput. Your Company provides these services through its subsidiaries which provide port and terminal services for liquid, dry bulk, break bulk, general cargo and small volumes of container cargo for specialised project equipment, with an existing aggregate capacity of 104 million metric tons per annum (MMTPA) across facilities located at Vadinar and Hazira in the State of Gujarat.

The Company is also in the process of scaling this capacity to 181 MMTPA.

Implementation and successful operations of these projects requires expert guidance.

The Board of Directors at their meeting held on May 27, 2010 had appointed Shri. Rajiv Agarwal as an Additional Director on the Board of the Company with effect from May 27, 2010.

The Board of Directors at the same meeting had further appointed Shri. Agarwal as a Wholetime Director and Chief Executive Officer designated as Managing Director of the Company for a period of three years with effect from July 24, 2010. Subsequently, the members of the Company at their thirty-fourth Annual General Meeting held on July 24, 2010 had approved the appointment and the remuneration to Shri. Agarwal.

The term of office of Managing Director of Shri. Agarwal ended on July 23, 2013.

The Board of Directors at their meeting held on April 18, 2013 has recommended that Shri. Agarwal be appointed as the Managing Director of the Company for a period of three years from July 24, 2013.

Shri. Agarwal is a Chartered Accountant, Cost and Works Accountant and Company Secretary by qualification with over 28 years of rich and varied experience in industries like Retail, BPO, Telecom, Manmade fibres, Shipping and Logistics etc., and has successfully led businesses as CEO since 1992, mainly in telecom services and shipping, logistics and ports sectors.

Shri. Agarwal was the Chief Executive Officer of Modi Champion during 1992-94 and Joint Managing Director of Modi Korea Telecom during 1994-97. He joined the Essar Group in 1997 as Chief Operating Officer in Essar Telecom. Shri. Agarwal served on the Board of public listed companies in India and United States of America. Shri. Agarwal has held the position of Chief Financial Officer and Executive Director on the Board of this Company during 1998-2002.

Shri. Agarwal was the President of IndoRama Synthetics Limited during 2002-2004. Shri. Agarwal held the position of CEO and Director of The Mobile Store Limited and created a well recognised and strong Indian Telecom Brand in just 2 years.

Shri. Agarwal has won a series of accolades and awards including CEO of the Year Award – 2009 Asia Retail Congress, Retail Professional of the Year-2008 at Franchise India and Best Retailer in Telecom Segment – over 2 years in India Retail Forum.

Shri. Agarwal is currently a Director on the Board of following other public limited companies viz., Essar Bulk Terminal Limited, Vadinar Oil Terminal Limited, Vadinar Ports & Terminals Limited, Essar Bulk Terminal Paradip Limited, AMW Capital Limited, Essar Bulk Terminal (Salaya) Limited, Essar Paradip Terminals Limited, Essar Dredging Limited and Essar Vizag Terminals Limited.

Shri. Agarwal is also member of the Audit Committee of Essar Bulk Terminal Limited, Vadinar Oil Terminal Limited, Vadinar Ports & Terminals Limited, Essar Bulk Terminal Paradip Limited, Essar Bulk Terminal (Salaya) Limited and Essar Paradip Terminals Limited.

The terms of appointment of Shri. Agarwal are as under:

1. Period of Appointment : three years from July 24, 2013.
2. In consideration of his duties, Shri. Agarwal shall be paid the following remuneration:

The gist of the remuneration to Shri. Agarwal is as under:

a) Remuneration :

Basic salary in the range of Rs. 6,00,000/- to Rs. 13,50,000/- per month, as may be determined by the Board of Directors or such other authority as may be delegated by the Board.

In addition to the Basic Salary, Shri. Agarwal shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof; House Maintenance Allowance together with reimbursement of expenses / allowances for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement; education allowance; leave travel concession for self and his family including dependents; club fees, premium for medical insurance, commission and all other payments in the nature of perquisites and allowances as agreed by the Board of Directors or such other authority as may be delegated by the Board of Directors from time to time upto

the limit of Rs. 28,00,000/- per month. As per the rules of the Company, Shri. Agarwal will be eligible for Provident Fund, Gratuity and Superannuation, which payments shall not be included for the purpose of calculation of the Managerial Remuneration.

b) Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of Shri. Agarwal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to compliance with the applicable provisions of Schedule XIII to the Act, if and to the extent necessary, with the approval of the Central Government, if required.

3. Shri. Agarwal shall not be paid any sitting fees for attending the meetings of the Board or any Committee(s) thereof.
4. Shri. Agarwal shall be bound by the non-compete and confidentiality provisions as applicable to the members of the Board.
5. Shri. Agarwal shall cease to be a Director if he ceases to be an employee.
6. Either party shall be entitled to terminate the employment by giving not less than three calendar months prior notice in writing in that behalf to the other party, provided that the Company shall be entitled to terminate Shri. Agarwal's employment at any time by payment to him of three months basic salary in lieu of such notice.

The remuneration proposed is in line with industry norms. Shri. Agarwal does not have any pecuniary relationship directly or indirectly with the Company nor is he related to any other managerial personnel of the Company.

The above may be treated as an abstract of the agreement between the Company and Shri. Agarwal pursuant to Section 302 of the Companies Act, 1956.

The Board accordingly recommends the resolution at item No. 10 of the accompanying notice for your approval.

None of the Directors other than Shri. Agarwal is deemed to be concerned or interested in the resolution at item No. 10 of the accompanying notice.

Item No. 11

Your Company develops and operates ports and terminals and is one of India's largest private-sector port company by capacity and throughput. Your Company provides these services through its subsidiaries which provide port and terminal services for liquid, dry bulk, break bulk, general cargo and small volumes of container cargo for specialised project equipment, with an existing aggregate capacity of 104 million metric tons per annum (MMTPA) across facilities located at Vadinar and Hazira in the State of Gujarat.

The Company is also in the process of scaling this capacity to 181 MMTPA.

Since these projects are capital intensive in nature, tie up of financial arrangements is very vital for the success of these projects.

The Board of Directors at their meeting held on July 24, 2010 appointed Shri. Shailesh Sawa as an Additional Director on the Board of the Company.

The Board of Directors at the same meeting had further appointed Shri. Sawa as a Wholetime Director designated as Director Finance of the Company for a period of three years with effect from July 24, 2010. Subsequently, the members of the Company at the thirty-fifth Annual General Meeting held on August 26, 2011 had approved the appointment and the remuneration to Shri. Sawa.

The term of office of Shri. Sawa ended on July 23, 2013.

The Board of Directors at their meeting held on April 18, 2013 has recommended that Shri. Sawa be appointed as Wholetime Director designated as Director Finance of the Company for a period of three years from July 24, 2013.

Shri. Sawa is a qualified Chartered Accountant and Cost and Works Accountant. Shri. Sawa has a rich and varied experience of over 26 years in the fields of Finance and Capital Markets.

Shri. Sawa has been associated with the Essar Group since 1994 and has held many positions in various group companies viz., India Securities Limited, Essar Power Limited and Essar Oil Limited. He was associated with Essar Oil Limited since January 2002 and has played a leading role in restarting of the refinery project and restructuring of the Company's financials besides raising large amount required for completing the refinery.

In 2007, Shri. Sawa was appointed as Chief Financial Officer of Essar Oil's Refinery Expansion Division. He spearheaded the fund raising for the refinery expansion plan and tied up ECB and rupee loan of Rs.18,600 crore (USD 4.6 billion) which was one of the largest debt tie up in the history of Indian Corporate Sector.

As Chief Financial Officer of the Expansion Division, Shri. Sawa was responsible for Finance, Treasury, Accounts, Audit and Compliances of Essar Oil's Expansion Division. Prior to this, Shri. Sawa has been associated with many organisations like Gujarat Ambuja Cements Limited, Modern Wollens Limited and Securities & Exchange Board of India.

Shri. Sawa is currently a Director on the Board of following other public limited companies viz., Essar Bulk Terminal Limited, Vadinar Oil Terminal Limited, Vadinar Ports & Terminals Limited, Essar Bulk Terminal Paradip Limited, Essar Bulk Terminal (Salaya) Limited, Essar Paradip Terminals Limited, Essar Dredging Limited and Essar Vizag Terminals Limited.

Shri. Sawa is also member of the Audit Committee of Essar Bulk Terminal Limited, Vadinar Oil Terminal Limited, Vadinar Ports & Terminals Limited, Essar Bulk Terminal Paradip Limited, Essar Bulk Terminal (Salaya) Limited and Essar Paradip Terminals Limited.

The terms of appointment of Shri. Sawa are as under:

1. Period of Appointment : three years from July 24, 2013.
2. In consideration of his duties, Shri. Shailesh Sawa shall be paid the following remuneration:

a) Remuneration :

Basic salary in the range of Rs. 6,00,000/- to Rs. 12,50,000/- per month, as may be determined by the Board of Directors or such other authority as may be delegated by the Board.

In addition to the Basic Salary, Shri. Sawa shall be entitled to perquisites and allowances like accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof; House Maintenance Allowance together with reimbursement of expenses / allowances for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement; education allowance; leave travel concession for self and his family including dependents; club fees, premium for medical insurance, commission and all other payments in the nature of perquisites and allowances as agreed by the Board of Directors or such other authority as may be delegated by the Board of Directors from time to time upto the limit of Rs. 20,00,000/- per month. As per the rules of the Company, Shri. Sawa will be eligible for Provident Fund, Gratuity and Superannuation, which payments shall not be included for the purpose of calculation of the Managerial Remuneration.

b) Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of Shri. Sawa, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above, subject to compliance with the applicable provisions of Schedule XIII to the Act, if and to the extent necessary, with the approval of the Central Government, if required.

3. Shri. Sawa shall not be paid any sitting fees for attending the meetings of the Board or any Committee(s) thereof.
4. Shri. Sawa shall be bound by the non-compete and confidentiality provisions as applicable to the members of the Board.
5. Shri. Sawa shall cease to be a Director if he ceases to be an employee.
6. Either party shall be entitled to terminate the employment by giving not less than three calendar months prior notice in writing in that behalf to the other party, provided that the Company shall be entitled to terminate Shri. Sawa's employment at any time by payment to him of three months basic salary in lieu of such notice.

The remuneration proposed is in line with industry norms. Shri. Sawa does not have any pecuniary relationship directly or indirectly with the Company nor is he related to any other managerial personnel of the Company.

The above may be treated as an abstract of the agreement between the Company and Shri. Sawa pursuant to Section 302 of the Companies Act, 1956.

None of the Directors other than Shri. Sawa are concerned or interested in the resolution at item No. 11 of the accompanying Notice.

Item No. 12

Your Company develops and operates ports and terminals and is India's second largest private-sector port company by capacity and throughput. Your Company provides these services through its subsidiaries which provide port and terminal services for liquid, dry bulk, break bulk, general cargo and small volumes of container cargo for specialised project equipment, with an existing aggregate capacity of 104 million metric tons per annum (MMTPA) across facilities located at Vadinar and Hazira in the State of Gujarat.

The Company is also in the process of scaling this capacity to 181 MMTPA.

Execution of various projects of the subsidiary companies require considerable amount of equity.

In order to meet the funding needs for the expansions plans mentioned above, including but not limited to meeting the equity needs of the Company for further organic and inorganic expansions and reducing the debt, the Company is exploring various options to raise fresh capital by issuance of either Equity Shares and / or Global Depository Receipts (GDRs), Foreign Currency Convertible Bonds (FCCBs) or any other security ("**Securities**") of the Company either by way of a public issue or a private placement (including a Qualified Institutional Placement in accordance with Chapter VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, Institutional Placement Programme or such other mode / methods as may be permitted.

The detailed terms and conditions for the issue / offering will be determined in consultation with the lead managers, consultants, advisors and / or such other intermediaries as may be appointed for the issue / offer. Wherever necessary and applicable, the pricing of the issue / offer will be finalised in accordance with applicable guidelines in force, of the Government of India, Securities and Exchange Board of India, Reserve Bank of India and other appropriate authorities.

The size of any of the above issue / offering of Securities is proposed to be upto an aggregate amount not exceeding US\$ 1 billion or equivalent amount in Indian or any other currency (inclusive of such premium as may be determined) to be issue in one or more tranches.

The Securities issued pursuant to the issue / offering may be listed on the Indian stock exchange(s) and / or internationally recognised stock exchange(s).

Section 81 of the Companies Act, 1956 provides, inter alia, that whenever the Company proposes to increase its subscribed capital by further issue / offer and allotment of shares, such shares shall be offered to the existing members of the Company in the manner laid down in the said Section, unless the members decide otherwise by a special resolution.

Accordingly, the consent of the members is being sought pursuant to the provisions of Section 81(1A) and all other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the Listing Agreement(s) executed by the Company with the stock exchange(s), authorising the Board of Directors and / or a Committee thereof to issue the Securities, as stated in the resolution, which would result in issuance of shares of the Company to persons other than the existing members of the Company.

None of the Directors of the Company is in any way concerned or interested in the proposed resolution. The Board recommends the Special Resolution at item No. 12 of the accompanying notice for approval by the members.

By Order of the Board

Mumbai
July 18, 2013

Manoj Contractor
Company Secretary

Registered Office:

Administrative Building
Essar Refinery Complex
Okha Highway (SH – 25)
Taluka Khambhalia
District Jamnagar, Gujarat 361 305