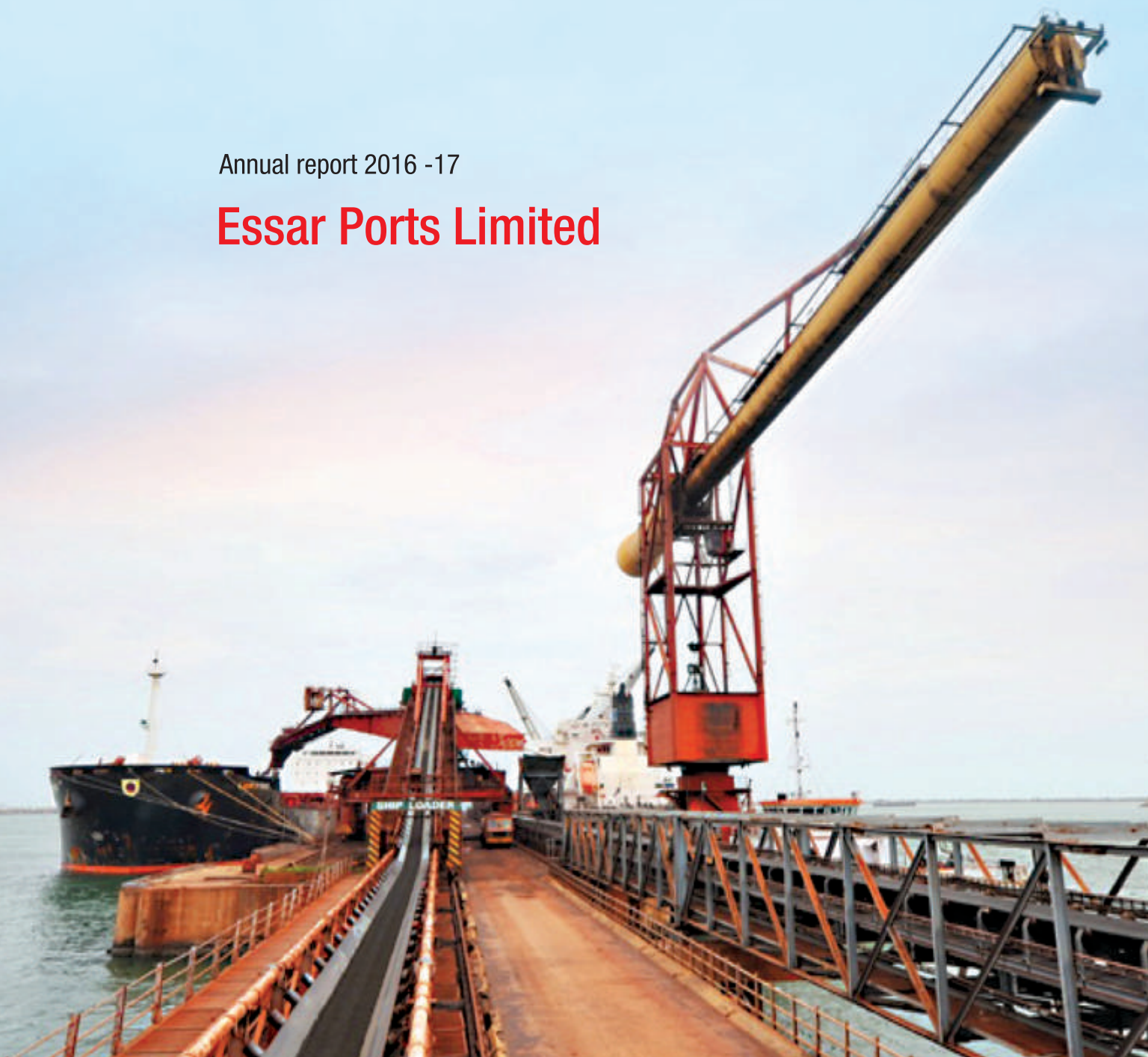


Annual report 2016 -17

# Essar Ports Limited





# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**P. K. Srivastava**

Chairman

**Rajiv Agarwal**

CEO & Managing Director

**Dilip J. Thakkar**

Independent Director

**V. G. Raghavan**

Independent Director

**K. K. Sinha**

Wholetime Director

## COMPANY SECRETARY

Neelam Jagdish Thanvi

## AUDITORS

MSKA & Associates

## AUDIT COMMITTEE

Dilip J. Thakkar

V. G. Raghavan

P. K. Srivastava

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

Rajiv Agarwal

V. G. Raghavan

K. K. Sinha

## NOMINATION AND REMUNERATION COMMITTEE

Dilip J. Thakkar

P. K. Srivastava

V. G. Raghavan

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

P. K. Srivastava

V. G. Raghavan

Rajiv Agarwal

## REGISTRARS & TRANSFER AGENTS

Data Software Research Company Private Limited

19, Pycroft Garden Road

Off Haddows Road

Nungambakkam

Chennai 600006

Tel: + 91 44 2821 3738, 2821 4487 Fax: +91 44 2821 4636

e-mail: [essar.ports@dsr-cid.in](mailto:essar.ports@dsr-cid.in)

## CORPORATE INFORMATION

### REGISTERED OFFICE

Salaya Administrative Building

ER-2 Building

Salaya

Taluka Khambhalia

District Devbhumi Dwarka, Jamnagar

Gujarat 361 305

Tel: +91 2833 664440 - Fax: +91 2833 661366

e-mail: [epl.secretarial@essarport.co.in](mailto:epl.secretarial@essarport.co.in)

### CORPORATE OFFICE

Essar House

11, K. K. Marg

Mahalaxmi

Mumbai 400 034

Tel: +91 22 6660 1100 / 4001 1100

Fax: +91 22 2354 4330

e-mail: [epl.secretarial@essarport.co.in](mailto:epl.secretarial@essarport.co.in)

## MANAGING DIRECTOR'S STATEMENT

Dear Members,

For and on behalf of the Board of Directors, I am pleased to present the Annual Report of Essar Ports Limited ('the Company') for the year ended March 31, 2017. The Annual Report comprises the IndAS Standalone Financial Statements and the IndAS Consolidated Financial Statements for the year ended March 31, 2017.

During the year, your Company reported a Standalone Net Loss of ₹ 4,106.30 lakhs as compared to ₹ 15,095.89 lakhs during the previous year. The Company has during the financial year 16-17, completed implementation of a Composite Scheme of Arrangement ("Scheme") which has been approved by the Honorable High Court of Gujarat vide order dated 1 July, 2016. The Scheme was implemented in phases with effect from 30 June, 1 July and 2 July 2016 (the appointed dates) after obtaining necessary approvals and filing of the Scheme with the Ministry of Corporate Affairs on 26 August, 2016. The restructuring of the business and holding structure as per the Scheme will help improve the financial flexibility and consolidation of the business of its various identified companies and is a key step in order to create value for the stakeholders.

Keeping in view of the Company's future funding needs and the applicable laws, the Board of Directors have not recommended any dividend in this financial year.

Indian Government has emphasized on the infrastructure growth to build a robust economy. Creation of a world-class port facilities is an important factor for the country's sustained growth. Port Infrastructure sector in India looks well placed to attract investments and experience high growth. Infrastructure sector is core to the Indian growth story due to massive historic shortfall in physical infrastructure and growing economic activity. The sector is expected to be resilient and continue to attract investor interest. Based on this, your Company sees good potential in the growth of ports business.

The Company's subsidiary, Essar Vizag Terminals Limited ("EVTL") handled 8.4 MMT during FY 2016-17 as against 5.1 MMT of cargo during FY 2015-16. The project is being simultaneously being modernized to improve the handling at the port and the modernization project is expected to be completed soon.

On behalf of the Board of Directors of your Company, I take this opportunity to express our sincere gratitude to all our stakeholders for their continuous support, dedication and commitment.

Best Wishes,

**Rajiv Agarwal**  
Managing Director

# NOTICE TO MEMBERS

Notice is hereby given that the Forty-First Annual General Meeting of Essar Ports Limited will be held at the Registered Office of the Company at "Salaya Administrative Building", ER-2 Building, Salaya, Taluka Khambhalia, District Devbhumi Dwarka Gujarat 361 305 on Thursday, December 21, 2017 at 10.00 A.M. to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt :
  - a. the Audited Standalone Profit and Loss Account for the year ended March 31, 2017 and the Audited Balance Sheet and Cash Flow Statement (Financial Statements) as on that date together with the schedules and notes thereto and the Reports of the Board of Directors and Auditors thereon.
  - b. The Audited Consolidated Profit and Loss Account for the year ended March 31, 2017 and the Audited Balance Sheet and Cash Flow Statement (Consolidated Financial Statements) as on that date together with the schedules and notes thereto and the Report of the Auditors thereon.
2. To appoint a Director in the place of Shri. Rajiv Agarwal (DIN 00903635) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), Messrs. MSKA & Associates, (Formerly known as MZSK & Associates) (Firm Registration no.: 105047W) Chartered Accountants, Floor 2, Enterprise Centre, Nehru Road, Vile Parle (East), Mumbai 400 099 be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of Messrs. Deloitte Haskins & Sells, Chartered Accountants."

"RESOLVED FURTHER THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time Messrs. MSKA & Associates, (Formerly known as MZSK & Associates) (Firm Registration no.: 105047W), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 45<sup>th</sup> AGM of the Company to be held in the year 2021 (subject to ratification of their appointment at every AGM), at such remuneration plus GST, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

## SPECIAL BUSINESS

4. 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 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 and subject to the approval of the Central Government, approval of the Company be and is hereby accorded for the re-appointment of Shri. Kamla Kant Sinha (DIN 00009113), as a Wholetime Director of the Company liable to retire by rotation for a period of three years with effect from July 4, 2017 on a remuneration and such other terms and conditions 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 "Board" which term shall be deemed to include the Nomination and Remuneration Committee or any other Committee of the Board formed for the purpose)."

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year during the tenure of Shri. Sinha as a Wholetime Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Shri. Sinha the remuneration as set out in the Explanatory Statement by way of salary, bonus and other allowances as minimum remuneration."

"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."
5. 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 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the approval of the members of the Company be and is hereby accorded to the Board to (a) give any loan to any Body Corporate(s) / person (s); (b) give any guarantee or provide security in connection with a loan to any Body Corporate(s) / person (s); and (c) acquire by way of subscription, purchase or otherwise, securities of any Body Corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 500,00,00,000/- (Indian Rupees Five Hundred Crores only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013."

"RESOLVED FURTHER THAT in case of divestment of the investment, the Directors of the Company be and are hereby authorised to sign the necessary applications, papers, forms, documents etc. for effective implementation of decision of divestment taken by the Company from time to time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

6. 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 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 (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 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 ₹ 6000 Crores (Rupees Six Thousand Crores only) 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 the issue as may be required and any other matter in connection with or incidental to the issue."

"RESOLVED FURTHER THAT the Company and / or any entity, agency or body, authorised and / or appointed by the Company, may issue depository receipts representing the underlying Securities issued by the Company in negotiable, registered or bearer form with such features and attributes as are prevalent in 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) inside 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 or 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."

Mumbai  
November 15, 2017

By Order of the Board

**Neelam Thanvi**  
**Company Secretary**  
M.No.: F7045

**Registered Office:**

Salaya Administrative Building  
ER-2 Building, Salaya, Taluka Khambhalia  
District Devbhumi Dwarka,  
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. The Company has fixed December 14, 2017 as the Record Date for the purpose of identifying the eligible members of the Company for the purpose of AGM.
4. The Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 relating to the Special Businesses is at item Nos. 4 to 6 of the accompanying Notice is annexed.
5. Members desiring any information regarding the Financial Statements are requested to write to the Company at "Essar House", 11, K. K. Marg, Mahalaxmi, Mumbai 400 034 at least 7 days before the date of the meeting to enable the Company to keep the information ready.
6. The Notice of AGM and Annual Report are being sent in

electronic mode to members whose email address are registered with the Company or the Depository Participant(s), unless the members have registered their request for the hard copy of the same. Physical copy of the notice of AGM and Annual Report are being sent by the permitted mode to those members who have not registered their email address with the Company or Depository Participant(s).

7. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means through the e-voting platform of Central Depository Services (India) Limited (CDSL) / National Securities Depository Limited (NSDL). The Members, whose names appear in the Register of Members / list of Beneficial Owners as on December 14, 2017, i.e. the Record Date fixed by the Company for the purpose of AGM are entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting. The e-voting period will commence at 9.00 a.m. on December 16, 2017 and will end at 5.00 p.m. on December 20, 2017. The members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed Mr. Martinho Ferrao, M/s. Martinho Ferrao & Associates, Practising Company Secretaries, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

**8. The instructions for members voting electronically are as under:**

- (i) The voting period begins on Saturday, December 16, 2017 at 9.00 am and ends on Wednesday, December 20, 2017 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, December 14, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## ANNEXURE TO NOTICE:

### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

#### Item No. 4

The Board of Directors at their meeting held on July 4, 2011 had appointed Shri. Kamla Kant Sinha as a Wholetime Director of the Company for a period of three years with effect from July 4, 2011. Subsequently, the members of the Company at their thirty-Eighth Annual General Meeting held on September 14, 2014 had approved the appointment and payment of remuneration to Shri. Sinha.

The term of office of Shri. Sinha ended on July 3, 2017.

The Nomination and Remuneration Committee of the Board at their meeting held on November 15, 2017 had recommended to the Board the re-appointment and the remuneration payable to Shri. Sinha. Subsequently, the Board of Directors at their meeting held on November 15, 2017 had re-appointed Shri. Sinha as a Wholetime Director of the Company for a period of three years from July 4, 2017.

Shri. Sinha has done his B.Sc (Engg.) in Mechanical Engineering from BIT, Sindri and has obtained his Masters in Business Administration from FMS, University of Delhi.

Shri. Sinha has over 40 years experience with industry majors such as Petronet India Ltd., Indian Oil Corporation Limited and Bokaro Steel Limited.

Prior to joining Essar, he was the Managing Director at Petronet India Limited, a position he held since 2000.

Shri. Sinha has served Indian Oil Corporation for over 27 years in various capacities. As Executive Director, IOC he was responsible for implementation of the entire pipeline projects of IOC.

Shri. Sinha is on the Board of various public limited companies.

The gist of material terms relating to his appointment are as follows:

1. Period of Appointment: 3 (three) years with effect from July 4, 2017.
2. In consideration of his duties, Shri. K. K. Sinha shall be paid the following remuneration:

Basic salary in the range of ₹ 4,62,000/- to ₹ 6,95,000/- per month.

In addition to the Basic Salary, Shri. Sinha 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 up to the limit of ₹ 20,00,000/- per month. As per the rules of the Company, Shri. Sinha will be eligible for Provident Fund, Gratuity and Superannuation, which payments shall not be included for the purpose of calculation of the Managerial Remuneration.

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of tenure of Shri. Sinha, 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.

- a) Shri. Sinha shall not be paid any sitting fees for attending the meetings of the Board or any Committee(s) thereof.
  - b) Shri. Sinha shall be bound by the non-compete and confidentiality provisions as applicable to the members of the Board.
  - c) Shri. Sinha shall cease to be a Director if he ceases to be an employee.
  - d) 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. Sinha's employment at any time by payment to him of three months basic salary in lieu of such notice.
3. Shri. Sinha shall not be entitled to any compensation under the Act, in the event of loss of office as Wholetime Director in terms of the resolution.

The Board is of the opinion that the re-appointment of Shri. Sinha would be in the best interest of the Company. The Board accordingly recommends the resolution at Item No. 4 of the accompanying notice for your approval.

None of the Directors other than Shri. Sinha are concerned or interested in the resolution at Item No. 4 of the accompanying Notice.

#### Item No. 5

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of your Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made thereunder, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

However, the above mentioned limits shall not be applicable to a loan made, guarantee given or security provided by a banking company or an insurance company or a housing finance company in the ordinary course of its business or a company engaged in the business of financing of companies or providing infrastructural facilities under section 186(11) of the Companies Act, 2013.

Your Company being a company providing infrastructural facilities, limits under section 186, with regard to loans, guarantees or providing securities are not applicable to your Company.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of AGM for an amount not exceeding ₹ 500,00,00,000/- (Indian Rupees Five Hundred Crore only) outstanding at any time notwithstanding that such investments are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution at item No. 5 of the accompanying notice for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution at item No. 5 of the accompanying notice for approval by the members.

#### **Item No. 6**

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 has projects under implementation at Vizag in Andhra Pradesh and Paradip in Odisha.

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 ₹ 6000 Crores (Rupees Six Thousand crores only) or any other currency (inclusive of such premium as may be determined) to be issued 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 42 of the Companies Act, 2013 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 42 and all other applicable provisions of the Companies Act, 2013, 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. 6 of the accompanying notice for approval by the members.

Mumbai  
November 15, 2017

By Order of the Board

**Neelam Thanvi**  
**Company Secretary**  
M.No.: F7045

#### **Registered Office:**

Salaya Administrative Building  
ER-2 Building, Salaya, Taluka Khambhalia  
District Devbhumi Dwarka,  
Jamnagar, Gujarat 361 305

## **ANNEXURE TO NOTICE:**

### **Details of Directors seeking appointment / re-appointment at the Forty-First Annual General Meeting**

#### **SHRI. RAJIV AGARWAL**

Shri. Rajiv Agarwal is Chartered Accountant, Cost and Works Accountant and Company Secretary by qualification with over 30 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 also a Director on the Board of various other Indian public limited companies.

#### **SHRI. K. K. SINHA**

Shri. Sinha has done his B.Sc. (Engg.) in Mechanical Engineering from BIT, Sindri and has obtained his Masters in Business Administration from FMS, University of Delhi.

Shri. Sinha has over 40 years of experience with industry majors such as Petronet India Ltd., Indian Oil Corporation and Bokaro Steel Limited.

Prior to joining Essar, he was Managing Director at Petronet India Limited, a position he held since 2000. Shri. Sinha has served Indian Oil Corporation for over 27 years in various capacities. As Executive Director, IOC he was responsible for implementation of the entire pipeline projects of IOC.

Shri. Sinha is also Director on the Boards of various other Indian companies.