

Essar Ports wins the bid for development of three iron ore berths at Visakhapatnam Port on BOT basis for 30 years

- Total Capacity of 23 MMTPA to be developed in two phases
- Big boost to 3rd party cargo handling plan of Essar Ports
- Total Project cost as estimated by Visakhapatnam Port is Rs. 845 Crore

Mumbai, May 31 2013: Essar Ports Limited (EPL) through its wholly owned subsidiary Vadinar Oil Terminal Ltd. has emerged as the highest bidder by quoting 31.01% revenue share for mechanization and operation of three iron ore berths (two outer harbour berths and one inner harbour berth) at Visakhapatnam Port on BOT basis for a Concession Period of 30 years. These three berths will have a combined capacity of 23 MMTPA.

This will be a big boost to 3rd party cargo handling and revenue of EPL as it will handle 17 MMTPA of 3rd party cargo and 6 MMTPA of Essar Steel cargo. EPL believes in the potential of iron ore export and coastal movement through the east coast of India. On commissioning of this project, EPL's total capacity for iron ore export at the east coast will become 39 MMTPA with 4 highly mechanized iron ore berths (three in Visakhapatnam Port and one in Paradip Port).

EPL can start the operation of the two outer harbour berths within next 3-4 months as the upgradation and operation at the terminal will go simultaneously. Vishakhapatnam port handled 12.3 million tonnes of iron ore during FY 13 in spite of slump in iron ore export in India. Bulk of this volume will be captured by these three berths after the mechanization as outer harbour berths will be capable of berthing super capesize vessels of 200,000 DWT and inner harbour berth will be capable of berthing panamax vessels of 80,000 DWT.

Commenting on this Mr. Rajiv Agarwal - Managing Director, Essar Ports Ltd. stated, "This project will significantly increase the 3rd party cargo handling of Essar Ports by contributing 17 MMTPA of cargo. This will add to our continuous efforts towards developing modernized world class terminals and serve new customers. This project will significantly increase the efficiency of Visakhapatnam Port thereby increasing its competitiveness and facilitating industrial growth in the region".

About Essar Ports

Essar Ports Ltd. is one of the largest private port companies in India, with a current capacity of 104 MMTPA. The capacity is being expanded to 181 MMTPA over the next few years.

Essar Ports has three operational terminals at Hazira, Vadinar and Paradip. Hazira terminal is an all-weather, deep-draft terminal with 30 MMTPA of dry bulk and break bulk cargo handling capacity. Vadinar terminal is also an all-weather, deep-draft terminal with 58 MMTPA of liquid cargo handling capacity. Paradip terminal was commissioned in December 2012 and is an all-weather, deep-draft terminal with 16 MMTPA of dry bulk cargo handling capacity.



Essar Ports is currently developing one terminal at Paradip which will be a coal berth of 14 MMTPA capacity. The Company is also setting up a dry bulk terminal at Salaya with a capacity of 20 MMTPA. Additionally, the Company plans to expand its Hazira terminal capacity by 20 MMTPA taking its capacity to 50 MMTPA. With this new project at Visakhapatnam Port, EPL's capacity under construction will increase by 23 MMTPA taking the total under construction capacity to 77 MMTPA.