

Essar Ports Limited

(Formerly known as Essar Shipping Ports & Logistics Limited)

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BSE Limited

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Dear Sir,

**Sub: Receipt of Forest Clearance for development of a Deep Draft Coal Berth
at Paradip Port**

We wish to inform that Essar Paradip Terminals Limited, a subsidiary of the Company has been granted Forest Clearance by the MoEF, Government of India for development of a Deep Draft Coal Berth at Paradip Port (the Project).

The said project was awarded to EPTL in an open bidding process on a Built, Own and Transfer Basis.

A detailed press release being issued is attached herewith.

This is for your information please.

Thanking you,

Yours faithfully,

For ESSAR PORTS LIMITED




**MANOJ CONTRACTOR
COMPANY SECRETARY**

Encl.: As Above

Essar's Paradip Coal Berth receives final Environmental and Forest approval

Mumbai July 11th 2012: Paradip Port Trust has received Ministry of Environment & Forest (MOEF) approval for the All Weather Deep Draft Coal Berth which had been awarded to Essar Ports on Build Operate and Transfer (BOT) basis on a 30 year concession. Essar Ports has now received formal intimation from Paradip Port Trust to commence mobilization towards construction activities.

Essar Ports will build a mechanized berth of 370m length which will be one of the most advanced port facilities of its type in India. This would give the facility an effective handling capability of 14 to 18 million tons per annum.

This project is part of Paradip Port Trust's plans towards mechanization of coal imports. Last year, Paradip Port Trust handled approximately 12 MMT of imported coal. As per the concession, this volume, along with any incremental volume, will shift to the mechanized berth which would be built by Essar Ports.

Speaking on the development, Rajiv Agarwal, MD Essar Ports said "We are extremely happy with the approval finally coming through. We would be looking forward to commencing construction activities at the earliest, and target commissioning in 18-24 months time, which will add significantly to our third party volumes."

Essar Ports currently operates 88 MMTPA of port capacity between Vadinar and Hazira. The company is expanding its total capacity to 158 MMTPA by 2014. The Deep Draft Coal Berth at Paradip is expected to add 14 to 18 MMTPA of third party cargo volumes to Essar Ports.

About Essar Ports

Essar Ports Ltd. is one of the largest port companies of India, with a current capacity of 88 MMTPA. The capacity is being expanded to 158 MMTPA over the next few years.

Essar Ports has two operational ports at Hazira and Vadinar. The Hazira port is an all-weather, deep-draft port with 30 MMTPA of dry bulk and break bulk cargo handling capacity. Vadinar is also an all-weather, deep-draft port with 58 MMTPA of liquid cargo handling capacity.

Essar Ports is currently developing two terminals at Paradip with a capacity of 30 MMTPA comprising an iron ore berth of 16 MMTPA and a coal berth of 14 MMTPA. 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 port capacity by 20 MMTPA – taking its capacity to 50 MMTPA

For Media Queries

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