

---

## **Sical Logistics likely to set up iron ore terminal in Mangalore**

*Tuesday, 10 Nov, 2009*

BS reported that Sical Logistics Ltd has received Letter of Acceptance from the New Mangalore Port Trust for setting up an iron ore handling facility at the deep draft multi purpose berth on BOT basis at New Mangalore Port. The Concession Agreement was signed recently between the Board of Trustees of New Mangalore Port Trust and Sical Iron Ore Terminal Ltd.

According to sources, the company would invest around INR 277 crore in the new facility and will be operate on 30 year BOT basis with 37% revenue sharing.

The port had received nine applications including SICAL others include ABG and Adani to built the proposed facility. Total capacity of the facility will be around 6.62 million metric tonne per annum and the facility is likely to go on stream by 2012-13. The new mechanized berth can handle vessels from 85,000 DWT to 100,000 DWT.

The port currently handles the cargo at Berth number 8 with a capacity of 7.5 million tonnes.

Sources said minimum guarantee would be 25% in the first year, 30% second year, 35% third year and 40% from the fourth year.

It may be recalled in February the company tied up with MMTTC Ltd to set up an iron ore terminal at Ennore port. The proposed investment in the project is around INR 500 crore. The two joint venture partners have floated a new company called Sical Iron Ore Terminals Ltd. When the two facilities go on stream SICAL will become the largest private player to handle iron ore at the East Coast.

(Sourced from Business Standards)

For more news visit at [www.steelguru.com](http://www.steelguru.com)