
Navayuga plans INR 24,000 crore plans for port and power projects

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It is reported that Navayuga Group is planning a major expansion into ports and power generation involving investments of around INR 24,000 crore over the next 5 years.

Mr Chinta Visweswar Rao chairman of Navayuga said that out of INR 24,000 crore, INR 5,000 crore will be invested in enhancing cargo handling at the Krishnapatnam port and INR 12,000 crore in setting up power plants with a 3,000 MW cumulative capacity. It intends to spend INR 6,000 crore in developing 2 more ports through so called special purpose vehicles.

Navayuga, which is executing the Krishnapatnam port, said that the first phase costing INR 1,200 crore will be operational by June 2008. It would have an initial cargo handling capacity of 20 million tonnes per annum. Krishnapatnam port plans to enhance the annual cargo handling capacity to around 90 million tonnes by 2011-12 and to 120 million tonnes by 2016-17.

To meet the needs of the industrial units around the Krishnapatnam port, Navayuga, in association with the Andhra Pradesh Industrial Infrastructure Corporation Limited, is setting up a desalination plant at a cost of around INR 1,000 crore. The works for the project, with a capacity of 100 million liters a day, would begin in the next quarter. APIIC would take up to 11% equity at a price yet to be specified, while Navayuga would hold the balance. Mr Rao said that "We are currently in discussions with 2 neighboring states to developing major sea ports and expect to firm up arrangements in the next quarter or so."

Navayuga group is currently at an advanced stage of finalizing 2 portside power projects of above 1,000 MW each to run on imported coal. Mr Rao also said that "Several domestic and foreign investors are keen to pick up significant stakes in the ports and power projects, though we have not decided yet."

In November 2006, 3i India, a private equity firm headquartered in the UK, picked up a 10% stake in Navayuga Engineering Co Ltd, the group's flagship, for INR 200 crore.

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