
Warburg Pincus buys 30% stake in new port in Andhra Pradesh

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Livemint reported that Warburg Pincus Llc has invested around INR 150 crore for a 30% stake in India's deepest port located at Gangavaram in Andhra Pradesh on the country's eastern coast.

The INR 1,700 crore first phase of the new private port located just 15 kilometer away from the Union government owned Visakhapatnam port, started so called trial operations in August. It will be formally inaugurated in the first week of October and have the capacity to handle 35 million tonnes of coal, iron ore, other bulk and general cargo a year.

The port has a water depth of up to 20 meter deeper than any other port in the country that will help it handle large bulk carriers with a cargo carrying capacity of up to 200,000 tonnes. Besides, the cargo handling facilities at Gangavaram are fully mechanized unlike many ports where loading and unloading is done manually.

Gangavaram Port Limited a company promoted by Mr DVS Raju won the deal from the Andhra Pradesh government to develop and operate the new port for 30 years beginning 2006.

A consortium of 13 banks led by State Bank of India has lent INR 1,200 crore to Gangavaram port for funding the phase 1 development of the project. The equity of around INR 500 crore has been contributed by Mr Raju the government of Andhra Pradesh and Warburg Pincus.

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