

## **Adani Ports to acquire 31.5% in Gangavaram Port for Rs 1,954 crore**



Gautam Adani-led [Adani Ports](#) and Special Economic Zone (APSEZ) on Wednesday said it is acquiring the 31.5 per cent stake of Windy Lakeside Investment in the Gangavaram Port (GPL) for Rs 1,954 crore.

Adani Ports is also in talks with DVS Raju and family (promoters) for their 58.1 per cent stake in GPL. The remaining 10.4 per cent is held by the Andhra Pradesh government.

The acquisition, subject to regulatory approvals, is expected to expand APSEZ's market share to 30 per cent across 12 locations in India.

Windy Lakeside Investment is an affiliate of global private equity firm Warburg Pincus. APSEZ is acquiring the firm's stake of 163 million shares (31.5 per cent) at Rs 120 per share, which works out to a consideration of Rs 1,954 crore.

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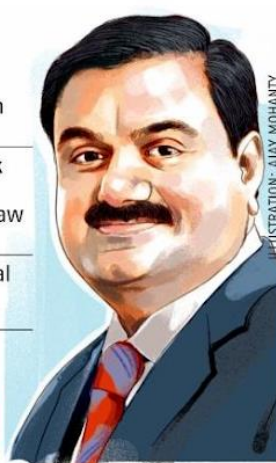
GPL is located near the Visakhapatnam Port and has a capacity of 64 million tonnes (MT), the company said. It is an all-weather, deep-water, multi-purpose port capable of handling fully laden super cape size vessels of up to 200,000 deadweight tonne (DWT). The port handles a diverse mix of dry and bulk commodities including coal, iron ore, fertilizers, limestone, bauxite, sugar, alumina, and steel.

#### AT A GLANCE

- **Gangavaram Port (Visakhapatnam) has a cargo handling capacity** of 64 million tonnes per annum
- **It handles bulk and break bulk cargo** such as coal, iron ore, fertiliser, limestone, bauxite, raw sugar, and steel products
- **Port has 1 fully mechanised coal berth, 3 multipurpose berths**

#### REVENUE TREND (₹cr)

766	964	1,082
FY18	FY19	FY20



At present, GPL operates nine berths and has free hold land of 1,800 acres. With a master plan capacity for 250 MT with 31 berths, GPL has sufficient headroom to support growth, said the company. "Currently, we are the minority shareholders in the port, but once we become the majority shareholders, we are confident that there is significant

headroom to go to 250 MT at the port in terms of capacity,” said Karan Adani, chief executive officer and whole-time director of APSEZ, in a conference call held after the announcement.

Adani said Gangavaram is complementary to the Krishnapatnam port the firm has have in Andhra Pradesh, and the acquisition should help in diversion of customers depending on whether they are from northern or southern Andhra.

In financial year 2019-20 (FY20), GPL saw a cargo volume of 34.5 MT, generated revenue of Rs 1,082 crore, Ebitda (earnings before interest, taxes, depreciation and amortization) of Rs 634 crore, margin of 59 percent, and net profit of Rs 516 crore. GPL is debt-free with cash balance of over Rs 500 crore.

[Adani Ports](#)