



Ports and  
Logistics

Ref No: APSEZL/SECT/2020-21/194

March 23, 2021

**BSE Limited**

Floor 25, P J Towers,  
Dalal Street,  
Mumbai – 400 001

**Scrip Code: 532921**

**National Stock Exchange of India Limited**

Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E), Mumbai – 400 051

**Scrip Code: ADANI PORTS**

**Sub: Agreement for acquisition of 58.1% stake of Gangavaram Port Limited**

Dear Sir,

We would like to inform that the Company has signed Agreement on March 23, 2021 between DVS Raju & Family and the Company, to acquire 58.1% stake of GPL.

The details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 are given as under:-

SN	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc.	Gangavaram Port Limited ("GPL") is engaged in the business of handling various types of Dry bulk and Break bulk cargo.  GPL is a multi-cargo facility and handled 34.8 MMT of cargo in FY 20. It has a capacity of 64 MMT. The operational revenue for financial year 2019-20 was Rs. 1,082 Crores.
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter	No

Adani Ports and Special Economic Zone Ltd  
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	group/ group companies have any interest in the entity being acquired?  If yes, nature of interest and details thereof and whether the same is done at "arm's length"	
3.	Industry to which the entity being acquired belongs	GPL belongs to Port Sector.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The acquisition is in line with Company's strategy of East Coast to West Coast parity and will provide an access to growth from new hinterland markets as it has coverage in resource rich and industrial belt in Eastern, Central & Southern India.
5.	Brief details of any governmental or regulatory approvals required for the acquisition	The acquisition is subject to approvals under applicable laws, including approval of the Competition Commission of India and Government of Andhra Pradesh.
6.	Indicative time period for completion of the acquisition	The transaction is expected to be completed within 6 months.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	The consideration is Rs. 3,604 crore.
8.	Cost of acquisition or the price at which the shares are acquired	The consideration for proposed acquisition of equity stake of GPL is Rs. 3,604 crore.
9.	Percentage of shareholding / control acquired and / or number of shares acquired	58.1% shares of GPL.
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any	GPL was incorporated on 27 <sup>th</sup> September, 2001 and is engaged in the business of handling various types of Dry bulk and Break bulk cargo.  Revenue for FY 2017 – 18 : Rs. 766 crore

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	other significant information (in brief);	Revenue for FY 2018 – 19 : Rs. 964 crore Revenue for FY 2019 – 20 : Rs. 1,082 crore
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A copy of the press release dated March 23, 2021 is enclosed herewith.

This is for your information and records.

Thanking you,

Yours faithfully,

**For Adani Ports and Special Economic Zone Limited**



**Kamlesh Bhagia**  
Company Secretary



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## Media Release

# Adani Ports to acquire controlling interest of 58.1% in Gangavaram Port from DVS Raju Family for Rs 3,604 Cr

### Editor's Synopsis

- APSEZ to acquire controlling stake of 58.1% in Gangavaram Port Ltd (GPL) from DVS Raju and family for Rs. 3,604 Cr taking its stake in GPL to 89.6%
- GPL, with its strategic location and strong hinterland has a potential to become a 250 MMT port
- GPL will benefit from APSEZ's platform to improve market share, enhance cargo and improve operating efficiencies
- APSEZ through its 2 AP ports (Krishnapatnam & Gangavaram) will be able to offer enhanced solutions to its customers
- This acquisition continues the strategy of APSEZ to transform into a pan India cargo utility from a predominantly west coast port company

**Ahmedabad, India; 23 March 2021;** The Adani Ports and Special Economic Zone Ltd. (APSEZ), India's largest private Ports & Logistics company and the flagship transportation arm of the diversified Adani Group, is acquiring the 58.1% stake held by DVS Raju and family in Gangavaram Port Limited (GPL). The acquisition is valued at Rs. 3,604 Cr and subject to regulatory approvals. APSEZ had announced acquisition of Warburg Pincus's 31.5% stake in GPL on March 3, 2021 and together with this acquisition, APSEZ would have 89.6% stake in GPL.

GPL is located in the northern part of Andhra Pradesh next to Vizag Port. It is the second largest non-major port in Andhra Pradesh with a 64 MMT capacity established under concession from Government of Andhra Pradesh (GoAP) that extends till 2059. It is an all-weather, deep water, multipurpose port capable of handling fully laden super cape size vessels of up to 200,000 DWT. Currently, GPL operates 9 berths and has free hold land of ~1,800 acres. With a master plan capacity for 250 MMTPA with 31 berths, GPL has sufficient headroom to support future growth.

GPL handles a diverse mix of dry and bulk commodities including Coal, Iron Ore, Fertilizer, Limestone, Bauxite, Sugar, Alumina, and Steel. GPL is the gateway port for a hinterland spread over 8 states across eastern, southern and central India.

GPL will benefit from APSEZ's pan-India footprint, logistics integration, customer centric philosophy, operational efficiencies and strong balance sheet to deliver a combination of high growth by enhancing market share and add additional cargo types and improved margins and returns.

In FY20, GPL had a cargo volume of 34.5 MMT, revenue of Rs. 1,082 Cr, EBITDA of Rs. 634 Cr (59% margin) and PAT of Rs. 516 Cr GPL is debt free with a cash balance of over Rs. 500 Cr

The Company has a paid up share capital of 51.7 Cr shares of which 58.1% is owned by DVS Raju and Family (Promoter), 10.4% by Government of Andhra Pradesh and 31.5% by Warburg Pincus.

APSEZ announced acquisition of 31.5% stake of Warburg Pincus on March 3, 2021 for Rs. 120/share and shall acquire the DVS Raju stake of ~30 Cr shares (58.1%) also at Rs. 120/share which works out to a consideration of Rs. 3,604 Cr The transaction implies EV/EBITDA multiple of 8.9x and P/E multiple of 12.0x (based on FY20 figures) and is a value accretive transaction for APSEZ shareholders.

**Mr. Karan Adani, CEO and Whole Time Director of APSEZ** said, "The acquisition of GPL is a further augmentation of our vision of capitalizing on an expanded logistics network effect that generates greater value as it expands. Every additional node that we are able to add to our network allows us to deliver a greater level of integrated and enhanced solutions to our customers. In this context, GPL is a tremendous addition to our portfolio. The associated hinterland we will now be able to tap into is one of the fastest growing in the eastern region and with the logistic synergies APSEZ brings to the table, GPL has a potential to become a 250 MMT port. This will undoubtedly help accelerate the industrialization of AP. The Raju family has built a great port and we will continue to expand the world class asset that has been initiated by them."



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**Adani Ports and Special Economic Zone Ltd.**, a part of globally diversified Adani Group has evolved from a port company to Ports and Logistics Platform for India. It is the largest port developer and operator in India with 12 strategically located ports and terminals — Mundra, Dahej, Tuna and Hazira in Gujarat, Dhamra in Odisha, Mormugao in Goa, Visakhapatnam and Krishnapatnam in Andhra Pradesh, Dighi in Maharashtra and Kattupalli & Ennore in Chennai— represent 24% of the country's total port capacity, handling vast amounts of cargo from both coastal areas and the vast hinterland. The company is also developing a transshipment port at Vizhinjam, Kerala. Our "Ports to Logistics Platform" comprising our port facilities, integrated logistics capabilities, and industrial economic zones, puts us in a unique position to benefit as India stands to benefit from an impending overhaul in global supply chains. Our vision is to be the largest ports and logistics platform in the world in the next decade. With a vision to turn carbon neutral by 2025, APSEZ was the first Indian port and third in the world to sign up for Science Based Targets Initiative (SBTi) committing to emission reduction targets to control global warming at 1.5°C above pre-industrial levels. For more information please visit [www.adaniports.com](http://www.adaniports.com)

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