

British PE firm & allies pick 74% in petrogoods storage co for Rs 500 cr

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GLOBAL Infrastructure Partners (GIP), a UK based private equity firm backed by Credit Suisse and General Electric, along with Delhi based infrastructure firm Zeus Inframanagement, have acquired 74% in Hyderabad based East India Petroleum (EIPL), a privately owned company for approximately Rs 500 crore.

GIP and Zeus Inframanagement have floated a joint venture to acquire 74% equity. GIP, which owns stakes in London City Airport and Great Yarmouth

port, will hold an 80% stake in the joint venture, while Zeus Infra-management will own the rest.

EIPL provides liquid storage services for petroleum, oil and lubricant products, petrochemicals, liquefied petroleum gas and biodiesel. India is currently experiencing a strong demand for petro-products to fuel its energy needs. East India Petroleum is based close to Visakhapatnam, one of the biggest ports in Andhra Pradesh.

The deal also underlines the attractiveness of India's energy sector to foreign investors. Significant opportunities for growth as energy consumption increases

in India and it builds storage capacity in line with global capacity levels.

GIP principal Raj Rao said, "EIPL's storage assets are strategically positioned in one of the premier ports in India. The company has significant opportunities for growth as energy consumption increases in India and the country builds storage capacity in line with global capacity levels."

The EIPL facility includes twelve storage tanks for petroleum, oil and lubricant produce, petrochemical and biodiesel with a total capacity of 74,000 km and three storage spheres for liquefied petroleum gas with total capacity of 8,400

metric tonnes.

EIPL currently, handles 100% of the petroleum, oil and lubricant products market at Visakhapatnam.

Zeus Inframanagement director Shaurya Doval said the transaction confirms the long held belief that India is the destination of choice for world class infrastructure investors.

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