

IFC to invest in Ocean Sparkle

Rajesh Chandramouli &
KV Ramana | TNN

Chennai & Hyderabad: Multilateral lender International Finance Corporation (IFC) is looking to invest in debt and equity of unlisted port management company Ocean Sparkle Ltd. The Hyderabad-based company is on a \$130-million expansion plan, which includes investing in additional new and second-hand vessels to expand its operations at ports, energy and offshore terminals in the country.

Ocean Sparkle owns and manages one of India's largest fleets of harbor vessels which includes 42 tugs and 19 other vessels such as dredgers, pilot tugs, mooring boats and provides port services to fifteen ports across India. While the IFC's funding would help Ocean Sparkle part finance its expansion project, the funding would be mostly in the form of debt. "We are still talking to IFC. It



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would take about a month for us to close the deal," Ocean Sparkle's managing director P Jairaj Kumar told TOI.

The proposed IFC investment is a long-term loan of up to \$10 million for IFC's own account and a syndicated loan of up to \$60 million. In addition, IFC may make an equity investment of up to \$5 million.

Besides first generation entrepreneurs like P Jairaj Kumar, Sanjeev Dhawan, A K Sawhney and R Virender

Prasad, other shareholders include venture capital funds (APIDC Ventures, SUUTI and Swiss Technology Venture Capital Fund Ltd.), and some non-resident Indians.

Established in 1995 by a team of marine technocrats, Ocean Sparkle caters to the port management services market.

The company offers three major services at ports viz., port operations and management to take care of operations from vessel arrival to its departure, ship to ship operations for very large crude carriers facilitating lighterage of crude imports to smaller daughter vessels and coastal transportation on the East coast through its fleet of barges and tug boats for lighterage operations.

Ocean Sparkle already has a client base including Kakinada Sea Ports, Reliance Port and Terminals, Gujarat Chemical Port, Ennore Port, Petronet LNG and Dahej Harbour and Infrastructure.