

Gammon achieves Rs 566 cr financial closure for bridge project

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Infrastructure development company Gammon Infrastructure Projects today said it has secured Rs 566 crore loan from a consortium of bankers for its special purpose vehicle Rajahmundry Godavari Bridge.

Rajahmundry Godavari Bridge, the SPV incorporated for implementing a bridge project in Andhra Pradesh has achieved the financial closure with a consortium of bankers for an aggregate loan amount of up to Rs 566 crore," Gammon Infra said in a filing to the Bombay Stock Exchange.

The estimated project cost of the bridge is Rs 861 crore, it further said.

Under the project, Gammon Infra would implement the work related with design, construction, finance, operation and maintain a major bridge across the river Godavari connecting Rajahmundry and Kovvur in Andhra Pradesh.

The project is entitled to a central government grant of Rs 1,18.6 crore and Rs 88.95 crore from the Andhra Pradesh government. According to the company, the project is on BOT (build, operate and transfer) basis for a period of 25 years, which includes a construction period of three years.

Shares of Gammon Infra surged 5 per cent to hit its upper trading limit of Rs 117.50 on the BSE.