

Dighi Port Limited

September 16, 2020

Ratings

Facilities	Amount (Rs.Cr)	Rating ¹	Rating Action
Long term Bank Facilities	-	-	Withdrawn

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding rating of 'CARE D; Issuer Not Cooperating' [Single D; ISSUER NOT COOPERATING] assigned to the Bank facilities of Dighi Port Limited (DPL) with immediate effect. The above action has been taken as the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, vide its order dated April 06, 2018, initiated the Corporate Insolvency Resolution Process (CIRP) against DPL under the provisions of the Insolvency and Bankruptcy Code, 2016. Also, the resolution plan was approved by Hon'ble NCLT vide its order dated March 05, 2020. Therefore, it may no longer be useful or necessary for CARE to maintain a rating on the rated entity's obligations.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Dighi Port Limited (DPL) has been promoted by Balaji Infra Projects Ltd (BIPL, holding 51.01%), Infrastructure Leasing & Financial Services Ltd (IL&FS, holding 39.37%) and Tara India Fund III LLC (5.46%) as a Special Purpose Vehicle (SPV) for the development of port at Dighi, Maharashtra. As per the Concession Agreement (CA) dated March 17, 2002 with Maharashtra Maritime Board (MMB), DPL would develop, design, finance, construct, operate and maintain the port on Build, Own, Operate, Share and Transfer (BOOST) basis for a period of 50 years. The port is located in the Rajpuri Creek, in Raigad District in the State of Maharashtra on the West Coast of India.

Dighi Port is being developed on the two banks of Rajpuri Creek

1. The South Bank (Dighi Side)
2. The North Bank (Agardanada Side)

The project suffered delay in implementation, cost overrun and unavailability of rail and road connectivity leading to underutilization of commissioned berth resulting in stressed liquidity position. DPL filed application to CDR cell on November 28, 2011 for restructuring of its loans aggregating Rs.802.60 crore and the same was approved on June 27, 2012 with the cut-off date of October 1, 2011.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	14.79	10.11
PAT	-67.88	-14.53
Overall gearing (times)	4.01	4.15
Interest coverage (times)	-0.08	-47.30

Admission to NCLT:

The company is under the Corporate Insolvency Resolution Process as per the NCLT order dated April 06, 2018. A resolution plan submitted by the Jawaharlal Nehru Port Trust (JNPT) was initially voted in majority by the committee of creditors (CoC) and approved by the NCLT in May 2019, which was subsequently withdrawn by JNPT in July 2019, after the NCLT suggested modifications in its offer. Later, Adani Ports and Special Economic Zone Ltd (APSEZ)'s bid was approved by a majority vote from the CoC and approved by the NCLT on March 05, 2020. APSEZ expects to complete the acquisition process by the end of this year.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Term Loan – Long Term	-	-	-	0.00	Withdrawn
Term Loan – Long Term	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Term Loan – Long Term	LT	0.00	Withdrawn	-	-	1)CARE D; ISSUER NOT COOPERATING* (13-Mar-18) 2)CARE D (11-Apr-17)	-
2.	Term Loan – Long Term	LT	0.00	Withdrawn	-	-	1)CARE D; ISSUER NOT COOPERATING* (13-Mar-18) 2)CARE D (11-Apr-17)	-

*Issuer did not cooperate; based on best available information

Annexure 3: Complexity level of various instruments rated for this company

Sr No.	Name of the instrument	Complexity Level
1.	Term Loan – Long Term	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at <https://www.careratings.com>. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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