

Press Release

Brickwork Ratings assigns a provisional Rating of “BWR A-(SO)” to Vizhinjam International Seaport Limited’s proposed Government of Kerala Guaranteed NCD Issue of ₹ 250 crores with a tenure of 10 years

NCD Issue Rating: BWR A-(SO)

Outlook : Stable

Brickwork Ratings has assigned a provisional Rating of **BWR A-(SO)** (Pronounced BWR A Minus, Structured Obligation) to **Vizhinjam International Seaport Limited’s** proposed ₹ 250 crore NCD issue guaranteed by the Government of Kerala. Instruments with this rating are considered to have **adequate** degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.

Vizhinjam International Seaport Limited (VISL) is a special purpose Government company, wholly owned by the Government of Kerala. It was incorporated in December 2004 and functions as the nodal agency for implementing a greenfield port - “**Vizhinjam International Deepwater Multipurpose Seaport**”- at Vizhinjam in Thiruvananthapuram. As of 31st March 2011, VISL had share capital of ₹ 12 crores and has received Government Grants worth ₹ 173.4 crores. The port is expected to be developed in 3 phases between FY14 and FY44; phase I of the project is expected to be operational in FY15.

The rating has factored, inter alia, the State Government’s support to the project, the unconditional, irrevocable Guarantee to be provided by the Government of Kerala, and the panel of expert consultants on board to plan/implement the project. The port project is yet to receive Environmental Clearance. The rating is constrained by the long term nature of the project and the highly competitive operational scenario that Vizhinjam Port is expected to face.

Analysts	Media
Mridula Chordia , Lead Analyst mridula.c@brickworkratings.com	Anitha G media@brickworkratings.com
Amit Ravindra Kawle , Co- Analyst amit.r@brickworkratings.com	Relationship Contact K N Suvarna Senior VP - Business Development kn.suvarna@brickworkratings.com
Phone: 1-860-425-2742	

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw