



Press Release

Simar Port Private Limited

June 24, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	0.00 (Reduced from Rs.1215.00 crore)	Withdrawn	IVR BBB-/Negative (IVR Triple B Minus with Negative Outlook)	Withdrawn	Simple
Short Term Bank Facility	100.00	IVR A3 (IVR A Three)	IVR A3 (IVR A Three)	Rating reaffirmed	Simple
Total	100.00 (Rupees One hundred crore only)				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed its rating of IVR A3 for the short-term bank facility of Simar Port Private Limited (SPPL). The ratings continue to derive strength from the experienced promoter group- Shapoorji Pallonji (SP) group, sub-concession agreement with strong counterparty (HPCL LNG Ltd) enhancing revenue visibility and proven track record of Engineering, Procurement, and Construction (EPC) contractor. However, these rating strengths are constrained due to delays in project execution, escalation in project cost and susceptibility of cash flows to LNG terminal capacity utilization.

Infomerics has also withdrawn the outstanding rating assigned to Simar Port Private Limited's long-term bank facilities with immediate effect as the facilities have been repaid in full. The withdrawal of rating has been made at the request of SPPL and 'No Dues Certificates' received from all the erstwhile bankers. The rating is withdrawn in accordance with Infomerics 'Policy on Withdrawal of Ratings'.

Key Rating Sensitivities:

Upward Factors:

- Completion of project as per revised timelines and costs.



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- Improvement in the credit profile of Shapoorji Pallonji Infrastructure Capital Company Private Limited (SPICCPL) and/or Shapoorji Pallonji and Company Private Limited (SPCPL).

Downward Factors:

- Any further delays in completion of project beyond the revised timelines and costs.
- Delays in tie up of debt resulting in further delays in completion of project.
- Deterioration in credit profile of SPICCPL and/or SPCPL.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Experienced promoter group

SPPL is part of the Shapoorji Pallonji (SP) group, which is a globally diversified industrial conglomerate, with a leading presence across sectors such as engineering & construction, infrastructure, real estate, water, energy. SPPL is a wholly owned subsidiary of Shapoorji Pallonji Infrastructure Capital Company Private Limited (rated IVR BBB-/ Negative/ IVR A3) which in turn is a wholly owned subsidiary of Shapoorji Pallonji and Company Private Limited (rated IVR BBB/ Negative/ IVR A3+), the flagship company of the SP group. SPICCPL acts as the infrastructure holding company of SP group's infrastructure business. The SP group's portfolio comprises projects across different verticals, such as transportation, energy, port and resources. SPICCPL portfolio include road, power and port projects. The projects include one under construction HAM project, 80 megawatts (MW) of operational solar power projects in Maharashtra, and an under-construction port in the state of Gujarat. SPICCPL has monetized its stake in some of the key projects in the past. The promoters are duly supported by a team of experienced professionals in the day-to-day operations.

Sub-concession agreement with strong counterparty

Simar Port Pvt Ltd. has entered into a sub-concession agreement with HPCL LNG Ltd. (HPLNG), a wholly owned subsidiary of Hindustan Petroleum Corporation Limited (HPCL), for the development and operation of a 5 million metrics tonnes per annum (MMTPA) Liquefied Natural Gas (LNG) terminal within the Chhara Port. The terminal includes LNG storage and regasification facilities. The terminal achieved commissioning in February 2025. Since SPPL's income from the LNG terminal is linked to R-LNG offtake, HPCL's captive requirement being



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routed through this facility is expected to support SPPL's cash flows. Infomerics anticipates HPCL to rely significantly on this terminal to meet its LNG requirements, thereby enhancing the viability of SPPL's operations. Also, India's Ministry of Ports has certified Chhara Port in Gujarat to import LNG by sea for three years (May 2025–May 2028).

Proven track record of EPC contractor

SPPL is developing necessary infrastructure facility of break water, marine tower, marine facilities and road connectivity etc. as required for the operation of the LNG terminal project. It has appointed SPICCPPL for the construction of breakwater, who has further subcontracted it to Afcons Infrastructure Limited (AIL). AIL has a proven track record of executing many complicated infrastructure projects, including marine works for R-LNG projects.

Key Rating Weaknesses

Delays in project execution

The LNG terminal project at Chhara Port has faced considerable delays against its original commissioning timeline of October 31, 2020. Multiple factors—including delay in access road availability, environmental clearance challenges, and disruptions caused by the COVID-19 pandemic—led to a revision in the Scheduled Commercial Operation Date (SCOD) to October 31, 2023. Further, the project was descoped in August 2022, with the revised commissioning targeted for July 1, 2024. The port has commenced partial operation from April 2024, following substantial completion of the required infrastructure to enable operations during the fair-weather season. Construction permission from GMB has been approved till June 25, 2025. As per the project management consultant report dated March 31, 2025, actual physical progress stood at 85.5% versus the planned 95.5%. Given that breakwater construction is season-dependent and feasible only during fair-weather conditions, the company has sought extension until June 2026, approval is awaited from GMB. Despite delays, post commencement of operations during fair weather from April 2024, SPPL reported handling of 3 vessels of cumulative volumes in the range of 0.10 million tonnes till March 2025 and a modest revenue of Rs.6.79 crore in FY25 (Provisional) (refers to period from April 01 to March 31).

Escalation in project cost



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The project cost has increased from the originally estimated Rs.1,856.84 crore to Rs. 2,530 crore, primarily due to increased expenditure on breakwater construction and interest during construction (IDC) on account of delays in execution. Initially, the project was to be funded through a debt of Rs.1,215 crore and equity of Rs.641.84 crore. As of March 31, 2025, Rs.1,555 crore had been incurred, funded through Rs.618 crore promoter contribution and Rs.937 crore term loan. On April 30, 2025, the promoters infused additional funds in the form of a perpetual loan and repaid the existing term loan. Presently, the entire project is being funded by the promoters. However, the company is planning to raise debt for the balance project cost in FY26. Infomerics expects continued financial and operational support from the SP group, which provides comfort against execution and funding risks associated with the increased project cost.

Susceptibility of cash flows to LNG terminal capacity utilization

Following the descopeing of the bulk cargo terminal, SPPL's revenue model is now entirely dependent on the LNG terminal, specifically the utilization of its 5 MMTPA regasification capacity. While the LNG terminal was successfully commissioned in February 2025, cash flow visibility remains closely tied to actual offtake levels, which are inherently sensitive to global LNG price trends, demand from anchor consumers, and competition from other operational terminals in India. This concentration increases SPPL's exposure to volume risk and operational ramp-up uncertainties in the near to medium term.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Criteria on Parent Support](#)

[Policy on Withdrawal of Ratings](#)

Liquidity –Adequate



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The promoters have repaid the outstanding term debt of Rs.937.00 crore against sanctioned debt of Rs. 1215 crore in April 2025 through perpetual debt. The balance requirement of ~Rs.975 crore as per the revised project is expected to be funded by tying up of fresh debt in FY26. Any delay in debt tie up may lead to higher dependency on the promoter group to complete the project as per revised timelines. Further, till the port operations stabilizes SPPL may require support from its parent, SPICCPPL which in turn is dependent on SPCPL. Infomerics expects the SP group to continue to extend financial support to SPPL.

About the Company

In May 2007, the Gujarat Maritime Board invited bids for the development of a multiuser, multi-purpose all-weather greenfield port on a build, own, operate and transfer (BOOT) basis in Gujarat. A consortium led by Shapoorji Pallonji and Company Private Limited, along with Afcons Infrastructure Limited and Forbes and Company Limited, was selected through a competitive bidding process to develop the port at Chhara, Gujarat. Simar Port Private Limited was subsequently incorporated on July 17, 2008, as a separate SPV by the SP consortium for the development of the port. SPICPL holds 99.99% stake in SPPL with the balance stake being held by Afcons Infrastructure Limited and Forbes & Company Limited equally. On January 29, 2015, a concession agreement was executed between the company and GMB for the development of the Chhara Port. The company will develop necessary infrastructure facility for operation of 5 MMTPA LNG terminal (developed by HPCL LNG Ltd) including backup land areas, 1950-meter breakwater and other common infrastructure such as approach channel, internal and external roads.

Financials (Standalone):

(Rs. Crore)

For the year ended/ As on*	31-03-2024	31-03-2025
	(Audited)	(Provisional)
Total Operating Income	0.58	6.79
EBITDA	-0.32	-30.38
PAT	-3.00	-30.08
Total Debt	1019.10	1116.06
Tangible Net Worth	915.77	951.57
EBITDA Margin (%)	-55.17	-447.25
PAT Margin (%)	-14.10	-421.48
Overall Gearing Ratio (x)	1.11	1.17
Interest Coverage (x)	-	-

* Classification as per Infomerics' standards.



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Status of non-cooperation with previous CRA: None

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					-	March 29, 2024	-
1.	Term Loan	Long Term	0.00 (Reduced from Rs.1215.00 crore)	Withdrawn	-	IVR BBB-/Negative	-
2.	Bank Guarantee	Short Term	100.00	IVR A3	-	IVR A3	-

Analytical Contacts:

Name: Neha Khan Tel: (022) 62396023 Email: neha.khan@infomerics.com	Name: Jyotsna Gadgil Tel: (020) 29913006 Email: jyotsna.gadgil@infomerics.com
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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



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Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term -Fund based bank facilities- Term Loan	-	-	-	-	0.00	Withdrawn
Short Term Non-Fund based bank facility- Bank Guarantee	-	-	-	-	100.00	IVR A3

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-simarport-june25.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.