

DEAL ANNOUNCEMENT - DISINVESTMENT OF KPL

A Share Purchase Agreement between Govt. of India (“Gol”) and Chennai Port Trust (“ChPT”) was executed recently in which Gol divested its 66.67% shareholding in Kamarajar Port Limited (“KPL”, erstwhile Ennore Port) to the minority shareholder, ChPT which previously held 33.33% in KPL (the “Transaction”).

Gol transferred its equity shares, acting through the Ministry of Shipping, Gol in KPL to ChPT. The purchase consideration paid by ChPT for the Transaction is ₹ 2,383 cr with an implied total value of KPL’s 100% equity at ₹ 3,575 cr. RBSA acted as the exclusive Transaction Advisor to the Department of Disinvestment and Public Asset Management (“DIPAM”), Gol for this Transaction.

KPL, which operates on a ‘landlord’ port model dealing in industrial, container and liquid cargo, handled over 34MT of cargo in FY19. It has a strong infrastructure, including liquified natural gas, container and liquid handling terminals with a huge breakwater in addition to coal and industrial cargo terminals.

“ChPT’s acquisition of KPL will bolster the performance of the two ports as they would be able to ameliorate operational synergies, providing a distinct competitive advantage to the two ports” commented Ajay Malik, MD & Head of Investment Banking at RBSA.

“Despite various challenges faced due to recent events, we were able to close the transaction in the targeted timeframe, with support from all parties” mentioned Ankur Wahal, Director, Investment Banking at RBSA.



VALUATION | INVESTMENT BANKING | RESTRUCTURING
TRANSACTION SERVICES | TRANSACTION TAX | RISK CONSULTING