

October 17, 2025

Mosaic India Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Short term - Fund based – limits	901.00	901.00	[ICRA]A1+; reaffirmed
Total	901.00	901.00	

*Instrument details are provided in Annexure I

Rationale

The rating reaffirmation continues to take into account the strong parentage of Mosaic India Private Limited (MIPL) and the demonstrated business and financial support from the parent, The Mosaic Company (Mosaic), rated Baa2 (Stable) by Moody's Investors Service. The support is expected to continue in the future, given the strategic importance of India as a consumption centre for muriate of potash (MOP) and di-ammonium phosphate (DAP) and the high dependence on imports for these fertilisers.

Mosaic is one of the largest P&K manufacturers in the world in terms of capacity and is a major exporter to India, some part of which is facilitated through MIPL. The extended credit periods from group entities support its liquidity needs. ICRA believes that the long-term domestic demand prospects for DAP and MOP remain favourable, given the deficiency of phosphatic and phosphorous nutrients in Indian soil.

In FY2025, no DAP volumes were traded due to high international prices and inadequate nutrient-based subsidy (NBS) rates adversely impacting the revenues. Further, the company has paid out a one-time dividend of ~Rs. 433 crore from its cash reserves during FY2026, which weighed on its liquidity position. Going forward, while the overall volumes are expected to increase steadily, the profitability is likely to remain subdued owing to rising prices of MOP and DAP in the international market. This could be offset partly by the presence of more value-added products like water soluble fertilisers, liquid fertilisers and biologicals which are expected to provide some cushion to the profitability. Further, a revision in the NBS rates to support increased international prices will remain a key monitorable.

The rating considers the vulnerability of the fertiliser sector's profitability, particularly the P&K segment, to regulatory policies and agro-climatic conditions, and the sensitivity of fertiliser cash flows to timely subsidy receipts from the Government of India (GoI). The rating also factors in the vulnerability of the profitability to foreign exchange fluctuations.

Key rating drivers and their description

Credit strengths

Strong parentage of The Mosaic Company, US – MIPL is a wholly-owned subsidiary of The Mosaic Company US {Mosaic; rated Baa2 (Stable) by Moody's} and receives significant support in the form of extended credit periods and reliable tie-ups for sale of DAP and MOP in India. Mosaic has also provided corporate guarantee, backing the entire bank lines of the company.

Strategic importance of MIPL to Mosaic as India is a leading market for DAP and MOP with high import dependence – Mosaic is one of the largest manufacturers of DAP and MOP globally and India is an important market. The demand prospects for DAP and MOP remain favourable in India, given the nutrient imbalance in Indian soil. India imports a sizeable portion of its annual demand for DAP as domestic production is insufficient to meet the demand. Further, India is entirely reliant on imports to meet its demand for MOP, given the lack of potash deposits in the country. Thus, MIPL is strategically important for Mosaic to retain its market share in India.

Low debt levels and satisfactory credit profile – MIPL has low external debt levels, with only ~Rs. 5 crore of lease liabilities as of FY2025-end. The company had no working capital (WC) borrowings as of FY2025 and utilises WC lines sparingly to tide over any short-term liquidity mismatches. The interest coverage ratio improved to ~32x as there were minimal interest costs during the year. ICRA notes that MIPL has paid out a sizeable one-time dividend from its cash reserves during FY2026, which weighed on its liquidity position. ICRA expects the company to resort to short-term debt/working capital borrowings to fund its working capital requirements. However, the overall credit profile is expected to remain satisfactory.

Credit challenges

Vulnerability of profitability to agro-climatic and regulatory risks for fertiliser industry and imports in particular - The profitability of the fertiliser sector remains vulnerable to the regulatory policies set by the GoI i.e. the subsidy levels under the nutrient-based subsidy (NBS) scheme etc. Agro-climatic risks like a weak monsoon also impact the profitability of the fertiliser sector.

High volatility in historical key credit metrics due to trading nature of business - MIPL’s financial performance has remained volatile over the past few years as the profitability of P&K fertilisers in India has been volatile. The company did not trade in DAP in FY2025 due to inadequate NBS rates, resulting in a decline in the revenues. The currency fluctuations also added to the volatility, keeping the profitability subdued in recent years. The profitability for DAP imports is expected to remain subdued owing to elevated international prices, while there has been an uptick in the international prices of MOP lately. The NBS rates for the upcoming rabi season will remain a key monitorable.

Vulnerability of profitability to foreign exchange fluctuation and commodity price risk - MIPL relies on imports from its parent to procure DAP and MOP for sale in India. As a result, the company is exposed to foreign exchange risks. The company hedges majority of its foreign exchange exposure using forwards, mitigating the risk to an extent.

Liquidity position: Adequate

MIPL’s liquidity position remains satisfactory, characterised by minimal debt repayment obligations and availability of unutilised working capital limits. The subsidy payout has been timely and MIPL also gets support from its parent group companies in the form of extended credit period.

Rating sensitivities

Positive factors – NA.

Negative factors – Pressure on MIPL’s rating could arise if the credit profile of the parent, The Mosaic Company, weakens, or the linkage between the parent and MIPL weakens, or if there is a deterioration in MIPL’s credit profile.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Parent Company: The Mosaic Co. (USA) The rating factors in the support from the parent in the form of extended credit period offered to MIPL along with the corporate guarantees and comfort letters backing the bank lines
Consolidation/Standalone	The rating is based on the standalone financials of Mosaic India Private Limited (MIPL)

About the company

Mosaic India Private Limited (MIPL) is a wholly-owned subsidiary of The Mosaic Company [Mosaic, rated Baa2 (Stable) by Moody's]. MIPL is involved in the trading and marketing of fertilisers, primarily di-ammonium-phosphate (DAP) and muriate of potash (MOP), in India. Mosaic is the world's leading producer of concentrated phosphate and potash in terms of capacity. Mosaic was formed in October 2004 following the merger of Cargill Crop Nutrition and IMC Global. In January 2011, Cargill Inc. divested its 64.3% stake in Mosaic through a demerger process, resulting in Mosaic becoming a widely held company.

Key financial indicators (audited)

Mosaic India Private Limited	FY2024	FY2025
Operating income	2119.7	661.3
PAT	75.5	47.1
OPBDIT/OI	6.1%	4.4%
PAT/OI	3.6%	7.1%
Total outside liabilities/Tangible net worth (times)	0.1	0.1
Total debt/OPBDIT (times)	0.0	0.2
Interest coverage (times)	3.5	32.4

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	17-Oct-2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Short term - Fund based limits	Short term	901.0	[ICRA]A1+	30-Sep-2024	[ICRA]A1+	-	-	-	-
				17-Oct-2024	[ICRA]A1+	-	-	-	-
Commercial paper	Short term	-		30-Sep-2024	[ICRA]A1+	28-Sep-2023	[ICRA]A1+	29-Sep-2022	[ICRA]A1+
				17-Oct-2024	[ICRA]A1+; Withdrawn	-	-	-	-
Short term - Fund based - Cash credit	Short term	-		-	-	28-Sep-2023	[ICRA]A1+	29-Sep-2022	[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity indicator
Short term – Fund based limits	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund based limits	-	-	-	901.0	[ICRA]A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis - NA

ANALYST CONTACTS

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Prashant Vasisht
+91 124 4545 322
prashant.vasisht@icraindia.com

Ankit Jain
+91 124 4545 865
ankit.jain@icraindia.com

Sahaj Gugliani
+91 124 4545 814
sahaj.gugliani@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.