March 26, 2026

International Seaports (Haldia) Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term – Fund-based – Cash credit	10.00	10.00	[ICRA]BBB+ (Stable); reaffirmed
Short term – Non-fund based limits	10.00	10.00	[ICRA]A2+; reaffirmed
Long term/Short term – Unallocated limits	50.10	50.10	[ICRA]BBB+ (Stable)/[ICRA]A2+; reaffirmed
Total	**70.10**	**70.10**	

**Instrument details are provided in Annexure I*

Rationale

The reaffirmation of the ratings considers International Seaports (Haldia) Private Limited's (ISPHL) healthy financial risk profile, reflected in its low gearing with nil debt and an adequate liquidity position. The ratings continue to favourably factor in the long-term take-or-pay arrangement with SAIL at competitive tariffs, which provides revenue visibility for the company. Going forward, with no debt-funded expansion plans over the medium term, the company's balance sheet is expected to remain healthy. The volumes moderated to 2.49 million metric tonnes (MMT) in FY2025, though they improved to 2.6 MMT in 11M FY2026.

ICRA notes that the company undertook a buyback in December 2025, pursuant to which Neelambur Madukkarai Tollway Limited exited its entire 22.31% shareholding, with the transaction funded from internal accruals.

The ratings consider the competition from the Dhamra Port and the other berths in the Haldia Dock Complex (HDC). However, the mechanised coal handling, location-specific advantage in terms of proximity to SAIL's plants and established rail linkages strengthen ISPHL's competitive position. Thus, there is limited incentive to shift the existing coking coal import arrangement from ISPHL to the other facilities. The ratings remain tempered by the low draft at HDC, which requires consistent Government support for dredging to maintain the draft and ensure the port's navigability. In the event of insufficient draft, the traffic at HDC and ISPHL's cargo volumes may be adversely impacted. However, such a probability is low, as the Haldia port is of strategic importance to the Government of India.

The ratings also remain constrained by the substantial contingent liabilities arising out of the claims levied by Syama Prasad Mookerjee Port, Kolkata (SMPK; erstwhile known as Kolkata Port Trust) through HDC for royalty and other charges. ICRA notes that in August 2021, the arbitration case between ISPHL and SAIL over underloading charges was awarded in favour of ISPHL. The matter of claims levied by SMPK is sub-judice. Any adverse development with regard to the contingent liabilities arising out of the claims levied by SMPK will remain a key rating monitorable. ICRA also notes the high dividend payout by the company in the last few years, though the same was nil in FY2025 and YTD FY2026.

The Stable outlook on the [ICRA]BBB+ rating reflects ICRA's opinion that ISPHL is likely to sustain its operating metrics and durably maintain its debt protection metrics commensurate with the existing rating.

Key rating drivers and their description

Credit strengths

Take-or-pay agreement for 30 years – In 2002, ISPHL entered into a take-or-pay agreement with SAIL for 30 years. The agreement mandates SAIL to import a minimum quantity of 2.30 MTPA of coking coal using berth 4A operated by ISPHL. This arrangement, combined with the increasing coking coal requirements of SAIL on the back of the ongoing capacity expansion, is expected to minimise the demand risk for ISPHL.

Robust financial metrics – ISPHL remained debt-free as on September 30, 2025, resulting in robust capitalisation and coverage indicators. ISPHL also continues to record healthy operating margins, resulting in positive cash accruals. The financial profile is expected to remain healthy in the medium term on the back of minimal capital expansion plans and a steady cash flow from operations.

Established track record of promoters in handling port operations – ISPHL is promoted by S.S. Global Group and Precious Shipping Public Company Limited (PSL), Thailand (through Precious Shipping (Singapore) Pte. Limited). The S.S. Global Group has over 120 years of experience in port handling operations in the major eastern ports of India, such as Haldia, Visakhapatnam, Paradip and Chennai.

Credit challenges

High recurring dredging requirement at Haldia port – The Haldia port requires consistent dredging to maintain the draft and navigability, which can impact ISPHL's volumes. However, the risk is mitigated by continuous Central Government support in the form of subsidies for dredging and the measures taken by the Haldia Dock Complex to speed up the dredging process at the Haldia port. Also, the draft levels have improved in recent times, supported by regular dredging activities at the port, further mitigating the risk.

Increase in competition – ISPHL faces competition due to mechanisation of berth 4B and resumption of operation at berths 2 and 8. Nearby ports like Dhamra add to the competitive pressure. However, the risk is partly mitigated by ISPHL's end-to-end mechanised operations at berth 4A, guaranteed efficiency parameters, established rail linkages and lower integrated logistics cost for coal imports at the Haldia port for some of the SAIL's plants. Also, SAIL's coking coal import trends indicate that only its incremental cargo demand is being handled by the other berths, while the utilisation levels of ISPHL have remained healthy.

Exposure to customer concentration risk – ISPHL's long-term viability is contingent on SAIL's ability to honour the contractual commitments, especially in the context of increasing competition.

Substantial contingent liabilities due to claims by SMPK through HDC – ISPHL has substantial contingent liabilities due to disputes with HDC over royalty and other charges. ISPHL contested the claims and the matter is sub-judice at present. In August 2021, the arbitration case between ISPHL and SAIL over underloading charges was awarded in favour of ISPHL. Any adverse development with regard to the contingent liabilities arising out of the claims levied by SMPK will remain a key rating monitorable.

Liquidity position: Adequate

The liquidity is adequate, supported by robust cash flow from operations on the back of healthy profitability, no long-term repayment obligations and minimal capex plans. However, devolvement of contingent liability will have an adverse impact on the liquidity profile and is an important sensitivity factor. ISPHL's cash and bank balances stood at ~Rs. 42 crore as of February 2026 after the share buyback payout. Any significant dividend payout in the future could impact its liquidity position.

Rating sensitivities

Positive factors – The ratings may be upgraded if there is a notable reduction in contingent liabilities along with a material improvement in ISPHL's net worth position while maintaining healthy coverage indicators.

Negative factors – Pressure on the ratings could arise if there is devolvement of the contingent liabilities, leading to weakening of the credit profile. The ratings could also witness pressure if there is a substantial decline in revenue and profitability or a stretch in the working capital cycle, leading to weakening of the liquidity profile.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for Ports
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial statements of the rated entity

About the company

ISPHL is promoted by two shareholders, S.S. Global Group and Precious Shipping Public Company Limited (PSL), Thailand (through Precious Shipping (Singapore) Pte. Limited), post the exit of Neelambur Madukkarai Tollway Limited through a share buyback.

ISPHL has set up mechanised coking coal handling facilities at berth no. 4 A on a build, operate and transfer (BOT) basis, with a cargo handling capacity of 3-3.2 million tonnes at a total cost of Rs. 127 crore. It commercially commenced operations on January 15, 2004. The facilities at the berth include two grab type unloaders, conveyor system, stackers, reclaimers and automatic wagon loading system. The company has a licence to operate the berth for 30 years from the date of award of the licence (May 14, 2002) by HDC of SMPK.

ISPHL has committed a minimum guaranteed cargo of 1.25 million tonnes in its first year operation to SMPK and increased it steadily to 1.75 million tonnes in its fifth year of operation and further to 1.9 million tonnes from the 24th year of berth operation. ISPHL also has a take-or-pay agreement (tenure of 30 years, operational since 2002) with SAIL for using the berth to import coking coal with a minimum guaranteed quantity of 2.30 million tonnes. ISPHL receives a composite charge - terminal throughput charge from SAIL at the agreed rates over the tenure of the agreement, which incorporates a certain escalation rate.

Key financial indicators (audited)

ISPHL (Standalone)	FY2024	FY2025	6M FY2026*
Operating income	123.0	120.4	74.2
PAT	25.9	22.8	18.7
OPBDIT/OI	26.7%	24.1%	35.2%
PAT/OI	21.1%	18.9%	25.1%
Total outside liabilities/Tangible net worth (times)	0.07	0.06	0.08
Total debt/OPBDIT (times)	0.0	0.0	0.0
Interest coverage (times)	66.7	980.7	-

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; * Provisional Numbers; NA – Not Applicable*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

		Current rating (FY2026)				Chronology of rating history for the past 3 years					
		FY2026				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs crore)	Mar 26, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based-Cash credit	Long term	10.00	[ICRA]BBB+ (Stable)	Apr 07, 2025	[ICRA] BBB+ (Stable)	Apr 01, 2024	[ICRA] BBB+ (Stable)	-	-	Feb 17, 2023	[ICRA] BBB+ (Stable)
Unallocated Limits	Long term/ Short term	50.10	[ICRA]BBB+ (Stable)/ [ICRA]A2+	Apr 07, 2025	[ICRA] BBB+ (Stable)/[ICRA]A2+	Apr 01, 2024	[ICRA] BBB+ (Stable)/[ICRA]A2+	-	-	Feb 17, 2023	[ICRA] BBB+ (Stable)/[ICRA] A2+
Non-fund based - Others	Short term	10.00	[ICRA]A2+	Apr 07, 2025	[ICRA] A2+	Apr 01, 2024	[ICRA] A2+	-	-	Feb 17, 2023	[ICRA] A2+

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Cash credit	Simple
Short term – Non-fund based limits	Simple
Long term/Short term – Unallocated limits	Not Applicable

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	**Proposed cash credit**	NA	NA	NA	10.00	[ICRA]BBB+ (Stable)
NA	**Bank guarantee**	NA	NA	NA	8.06	[ICRA]A2+
NA	**Proposed bank guarantee**	NA	NA	NA	1.94	[ICRA]A2+
NA	**Unallocated limits**	NA	NA	NA	50.10	[ICRA]BBB+ (Stable)/[ICRA]A2+

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not Applicable.

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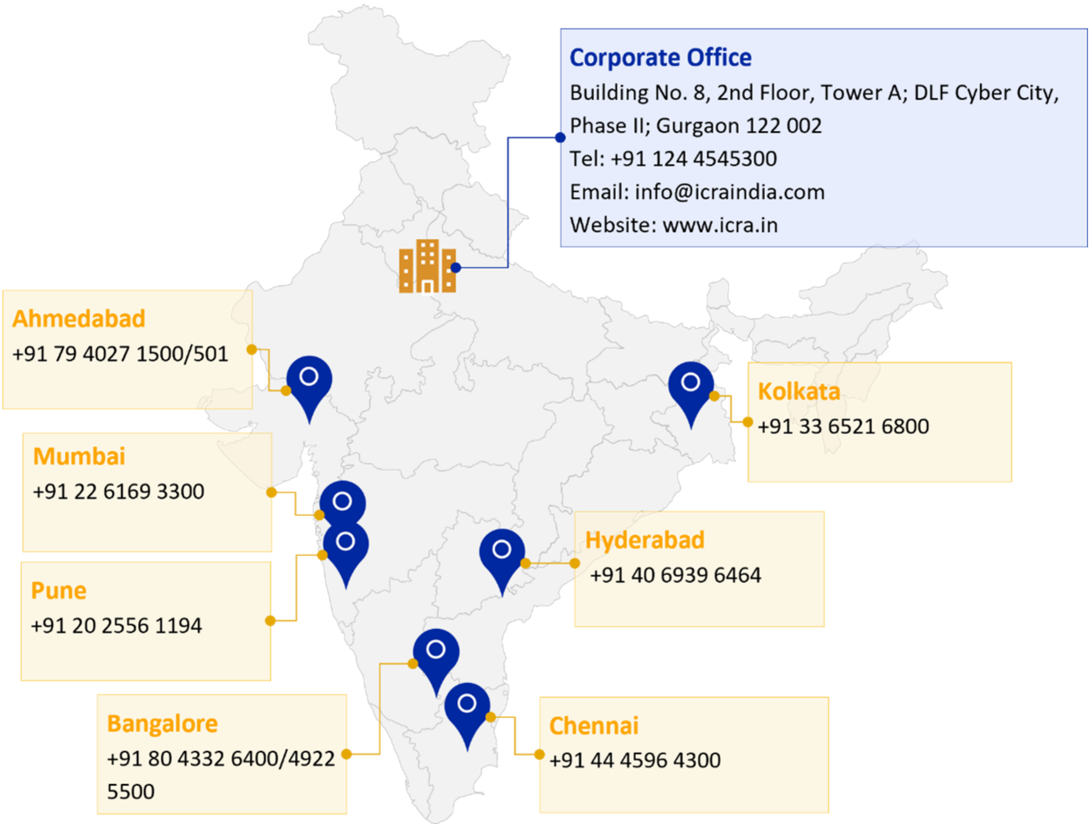

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