August 05, 2026

DP World Cold Chain Logistics Private Limited: Ratings assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term – Fund-based – Term Loan	75.0	[ICRA]A (Stable); assigned	RBI
Short-term – Fund based/Non-fund Based – Working Capital Facilities	5.00	[ICRA]A1; assigned	RBI
Long-term/ Short-term – Unallocated Limits	10.0	[ICRA]A (Stable) /[ICRA]A1; assigned	RBI
Total	**90.0**		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments, which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

The ratings assigned to the bank lines of DP World Cold Chain Logistics Private Limited (DPWCCL/the company) factors in the strong parentage of the company with the ultimate parent being DP World Limited (DPW/ the parent; rated Baa2 (Stable) by Moody's). Currently, DPW is present in India through its joint venture with National Investment and Infrastructure Fund (NIIF), known as Hindustan Infralog Private Limited (HIPL), wherein it holds 65% ownership and through Hindustan Ports Private Limited (HPPL), in which NIIF acquired a 19.18% stake in March 2024.

ICRA notes that HIPL and HPPL are in the process of consolidating their operations into a single entity, with DPW expected to continue as the majority shareholder post-merger. The merged entity will serve as the holding company for DPW's India investments currently held under HIPL and HPPL.

While arriving at the ratings for the company, ICRA has evaluated the credit profile of the merged entity, factoring in the implicit support from DPW, which is the majority shareholder in the merged entity, and thereafter uplifted the rating of DPWCCL using the credit view of the merged entity as the immediate parent. Given the rapidly growing market and increasing investment commitment of DPW in the country, the Indian assets are likely to remain strategically important for DPW going forward as well.

The rating factors in DPWCCL's strengthening presence in the organised cold chain logistics segment, supported by its integrated offerings across temperature-controlled warehousing and refrigerated transportation services. The company is estimated to benefit from the favourable long-term growth prospects of the cold chain industry, driven by increasing demand from the food processing, FMCG, quick-commerce, dairy and pharmaceutical sectors, along with the growing preference for organised and compliant cold storage infrastructure. The ramp-up in utilisation across existing warehousing facilities and the increasing contribution of the relatively higher-margin warehousing segment following planned capacity expansion in select locations are expected to support the company's operating profile over the medium term. Company's operating income grew by ~35% in FY2026 (provisional) to Rs. 101.9 crore from Rs. 75.2 crore in FY2025. Operating margins improved to 2.4% in FY2026 (provisional) from -4.4% in FY2025.

The ratings also derive comfort from the demonstrated financial support from the parent and the strategic importance of the company within the broader logistics platform. Further, the proposed capacity additions at Hyderabad and Sonipat (Haryana) are anticipated to strengthen the company's market presence, provide greater geographical coverage and support revenue growth over the medium term.

The ratings, however, remain constrained by the company's relatively modest scale of operations given the nascent stage of operations. The company also operates in a highly competitive and fragmented industry, with competition from several organised and regional players. Customer concentration at certain warehouse locations and the execution and utilisation risks associated with the planned capacity additions remain key monitorables. Additionally, profitability in the transportation business remains exposed to fluctuations in fuel costs and operating expenses.

The Stable outlook reflects ICRA's expectation that DPWCCL will continue to benefit from timely financial support from the parent, if required, while maintaining healthy occupancy rates across its existing facilities and achieving a steady ramp-up in utilisation of the planned capacity additions. The outlook also factors in the expectation that the company will continue to strengthen its business position through expansion of its warehousing footprint and increasing contribution from the higher-margin warehousing segment.

Key rating drivers and their description

Credit strengths

Strong parentage with DP World being the ultimate promoter – DPWCCL is a wholly-owned subsidiary of HIPL + HPPL and benefits from being part of the DP World Group, which is one of the largest container operator companies globally. Moreover, it has an established presence in India across the value chain, comprising port assets across the West and East coast, container train operations, container freight stations, inland container terminals and warehousing. HPPL and HIPL enjoy high financial flexibility owing to their strong promoters, i.e., DPW and NIIF. The boards of directors of HPPL and HIPL also include several representatives from DPW.

Healthy ramp up in utilisation levels supported by strategic location of cold storage sites and healthy demand prospects – The company has witnessed a healthy and rapid ramp up in utilisation levels across all its three warehousing sites, viz. Taloja, Bengaluru, and Hyderabad. The company has already achieved about 90% utilisation at its Taloja and Hyderabad facilities and is likely to achieve near-full utilisation by the end of September 2026 at the Bengaluru facility as per the management. The strategic location of its warehousing sites allows proximity to high demand metro cities as well as diversity in geographical coverage. For all locations combined, the company currently has a capacity of roughly 28,000 pallet positions, and is planning additional capacity at Hyderabad along with a new facility at Sonipat, which will allow it access to the North Indian market. Further, the demand prospects for cold chain logistics remain favourable, driven by healthy growth in e-commerce and frozen food segments following the rapid rate of urbanisation and changing consumer trends.

Established brand name and annual contracts with reputed customers – The company enjoys an established brand name given the presence of DPW in the global logistics sector. The company has entered annual contracts with high profile customers such as Kwality Walls, Zepto, Dr. Reddy’s, and IG International, among others. In a few instances, the company has entered multi-year contracts as well, providing visibility for revenue to a certain extent. Further, the customer mix is well diversified across key end-user industries such as FMCG, e-commerce and pharmaceuticals.

Credit challenges

Intense competition in cold chain logistics given fragmented nature of the industry – The cold chain logistics industry is characterised by intense competition from several organised players such as Snowman Logistics, RK Foodland, Cold Star Logistics and JWL, alongside a large number of regional and unorganised operators catering to specific regions and customer segments. The fragmented nature of the industry results in competitive pricing pressures, particularly in transportation services and standard warehousing offerings. While DPWCCL benefits from its association with the DP World Group, integrated warehousing and transportation capabilities, and focus on high-quality temperature-controlled infrastructure, sustained competitive intensity and capacity additions by industry players could exert pressure on occupancy rates, customer retention and pricing flexibility. The company's ability to maintain service quality, operational efficiency and long-term customer relationships will remain critical in sustaining its competitive position.

Profitability remains moderate with entity in nascent stage of operations – DPWCCL's profitability profile remains moderate owing to the relatively recent scale-up of its warehousing operations and the ongoing ramp-up in utilisation levels across facilities. The company has commissioned multiple warehousing facilities over the last couple of fiscals, resulting in significant upfront investments in cold chain infrastructure and operating costs during the stabilisation phase. While warehouse occupancies have improved steadily and contribution from the higher-margin warehousing segment has increased, the benefits of operating leverage are still accruing. Consequently, the company's overall profitability remains modest compared to mature cold chain operators. Nevertheless, the continued ramp-up of existing facilities, increasing share of warehousing revenues and stabilisation of newly commissioned capacities are expected to support improvement in profitability over the medium term.

Liquidity position: Adequate

Liquidity is expected to remain adequate, supported by the demonstrated track record of funding support from the parent towards capital expenditure (capex) and business expansion. Given the company's growth phase and ongoing capacity addition plans, timely financial support from the parent, if required, is likely to provide additional financial flexibility and support liquidity. The company’s capex plan includes Rs. 65-70 crore for capacity expansions at Hyderabad and Sonipat in FY2027. As per the current debt profile, the company has repayment obligations of Rs. 1.5 crore in FY2028 and Rs. 6 crore each in FY2029 and FY2030.

Rating sensitivities

Positive factors – The ratings may be upgraded in a scenario of strengthening of the credit profile of the parent i.e. merged entity of HIPL and HPPL. Further, the ratings may be upgraded if the company exhibits a sustained improvement in the scale of operations and profitability while maintaining healthy leverage and coverage indicators.

Negative factors - The ratings could be downgraded in a scenario of weakening of the credit profile of the parent i.e. merged entity of HPPL and HIPL. The ratings could also be downgraded in a scenario of the weakening of the linkages of the parent (i.e. HIPL and HPPL consolidated) with the company. The ratings could also be downgraded in a scenario of slow ramp-up in utilisation of existing and planned capacities, resulting in a sluggish growth in revenue and/or moderation in profits. Any materially large debt funded capex resulting in moderation in the leverage and coverage metrics may also result in a rating downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	ICRA has arrived at the company’s rating after factoring a parent subsidiary rating notch-up using the credit view of the merged entity of HIPL and HPPL, which in turn factors in the parentage of DP World Limited.
Consolidation/Standalone	The rating is based on the standalone financial profile of the company.

About the company

DP World Cold Chain Logistics Private Limited is engaged in providing integrated cold chain logistics solutions, comprising temperature-controlled warehousing and refrigerated transportation services. The company operates through two business verticals—cold storage warehousing and reefer transportation—and caters primarily to customers in the food and beverage, FMCG, quick-commerce and pharmaceutical sectors. The company is a subsidiary of the DP World Group and benefits from the Group's established presence in the logistics sector.

The warehousing business is operated through three temperature-controlled facilities at Taloja (Maharashtra), Hyderabad and Bengaluru, with an aggregate storage capacity of about 28,000 pallet positions. The facilities cater to frozen, chilled and ambient storage requirements, with frozen and chilled products accounting for most of the storage mix. Customers are generally contracted on an annual basis, with revenues generated through pallet-position rentals and handling charges. Key customers include Kwality Walls, Zepto, Amul, Dr. Reddy’s Laboratories, Mondelez and IG International.

The transportation segment comprises a fleet of 85 owned refrigerated trucks of varying capacities, supplemented by hired vehicles to meet incremental demand. The fleet provides primary and secondary distribution services across the cold chain ecosystem, serving customer requirements ranging from factory-to-distribution centre movements to retail and quick-commerce deliveries. Transportation contracts are typically annual in nature, with a mix of dedicated fleet arrangements and trip-based operations.

Key financial indicators

DP World Cold Chain Logistics Private Limited	FY2024	FY2025
Operating income	67.6	75.2
PAT	-6.1	-12.3
OPBDIT/OI	2.2%	-4.4%
PAT/OI	-9.1%	-16.4%
Total outside liabilities/Tangible net worth (times)	2.6	1.7
Total debt/OPBDIT (times)	39.5	-30.0
Interest coverage (times)	0.9	-1.1

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

		Current ratings (FY2027)			Chronology of rating history for the past 3 years		
		Type	Amount rated (Rs. crore)	Date & rating in FY2027	Date & rating in FY2026	Date & rating in FY2025	Date & rating in FY2024
				August 05, 2026	-	-	-
1	**Term Loan**	Long-term	75.0	[ICRA]A (Stable)			
2	**Fund based/Non-Fund based - Working Capital facilities**	Short Term	5.00	[ICRA]A1			
3	**Unallocated limits**	Long term / Short term	10.0	[ICRA]A (Stable) /[ICRA]A1			

Complexity level of the rated instruments

Instrument	Complexity indicator
Long Term – Fund based - Term Loan	Simple
Short Term – Fund based/Non-Fund based - Working Capital facilities	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	Financial sector regulator#
NA	**Term Loan**	Dec 2025	7.92%	Dec 2036	75.0	[ICRA]A (Stable)	RBI
NA	**Fund based/Non-Fund based - Working Capital facilities**	-	-	-	5.00	[ICRA]A1	RBI
NA	**Unallocated limits**	-	-	-	10.0	[ICRA]A (Stable) /[ICRA]A1	RBI

Source: Company; #SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

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

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

ANALYST CONTACTS

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

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

Anubha Rustagi
+91 22 6169 3345
anubha.rustagi2@icraindia.com

Meet Mehta
+91 22 61693364
meet.mehta@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