



CIN No. L63090OR2000PLC006379 ISIN: INE05MW01011 SCRIP CODE: 544383

To,
BSE Limited
P.J. Towers, Dalal Street
Fort, Mumbai- 400001

Dated-22/12/2025

Ref.-BSE SCRIP CODE- 544383

Subject: Intimation of Upgradation of Credit Rating of the Company

Dear Sir/Madam,

Pursuant to the provisions of the **SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, we wish to inform you that **Infomerics Ratings** has **upgraded the credit rating of the Company**, as detailed below:

- **Long-term rating:** Upgraded to **IVR BBB+ (Stable)** from **IVR BBB (Stable)**
- **Short-term rating:** Upgraded to **IVR A2** from **IVR A3+**

Rating Rationale as published by Infomerics Ratings is available at the link:
pr_paradeep_parivahan_19dec25_2aff9f02ed.pdf

This disclosure is also being uploaded on the website of the company at
<https://www.paradeepparivahan.com/home/intimation>

This intimation is being submitted for your information, records, and dissemination.

Thanking you.

For & behalf of
PARADEEP PARIVAHAN LIMITED

**KHALID
KHAN**

Digitally signed by
KHALID KHAN
Date: 2025.12.22
11:30:44 +05'30'

Khalid Khan
Managing Director cum CEO
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Paradeep Parivahan Limited

December 19, 2025

Ratings

Instrument / Facility*	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facility	62.89 (enhanced from 50.01)	IVR BBB+; Stable; (IVR Triple B plus with stable outlook)	IVR BBB; Stable (IVR Triple B with stable outlook)	Rating Upgraded	Simple
Short Term Bank Facilities	7.00 (reduced from 7.64)	IVR A2 (IVR A two)	IVR A3+ (IVR A three plus)	Rating Upgraded	Simple
Total	69.89 (Rupees sixty-nine crore and eighty-nine lakh 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

The upgrade in the ratings assigned to the bank facilities of Paradeep Parivahan Limited (PPL) derive strength from improvement in the business performance of the company marked by improvement in topline & profitability in FY25 [FY refers to the period from April 1 to March 31], improvement in capital structure coupled with healthy debt coverage indicators and healthy order book position indicating strong revenue visibility in the near to medium term. Further, the ratings continue to derive comfort from its experienced promoters and its long track record of operation as an end-to-end logistic services provider with efficient cargo handling capabilities coupled with its favourable long-term demand outlook. However, these rating strengths are partially offset by its labour-intensive operations with exposure to highly unionised work force and highly capital-intensive nature of its business. Further, the ratings notes that port services sector is vulnerable to changes in Government regulations and timely execution of unexecuted orders as per project timelines remains critical to meet anticipated cash flow obligations. The ratings also consider that cargo handling is vulnerable to broader economic trends, commodity demand cyclicalities and competition from other ports.



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The stable outlook reflects expected stable business performance of the company with healthy revenue visibility supported by a healthy order book in the near to medium term guided by experienced promoters.

Key Rating Sensitivities:

Upward Factors

- Significant growth in scale of business with improvement in profitability metrics thereby leading to improvement in cash accruals on a sustained basis.
- Improvement in the capital structure with improvement in overall gearing ratio and/or improvement in debt protection metrics.

Downward Factors

- Dip in operating income and/or profitability impacting the debt coverage indicators with moderation in the interest coverage ratio to below 2x.
- Moderation in the capital structure with deterioration in overall gearing to more than 2x.
- Higher than-anticipated debt-funded capex or stretch in working capital cycle leading to weakening of the liquidity position.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Improvement in business performance**

The topline of the company has improved by ~59% in FY25 from Rs.211.27 crore in FY24 to Rs.335.82 crore in FY25. The growth in revenue was underpinned by growing volumes and expansion of services in the contracts from IFFCO and other existing ports. Growth in scale of operations with better route planning, cargo turnaround time and fleet productivity has also boosted the profitability of the company. Though the EBITDA margin has reduced from 16.79% in FY24 to 12.74% in FY25 due to increase in operational expenses, the absolute EBITDA has improved by ~21% from Rs.35.46 crore in FY24 to Rs. 42.78 crore in FY25. Further, aided by rise in EBITDA coupled with decrease in depreciation and finance charges, the PAT margin of the company also improved to 7.18% in FY25 (6.90% in FY24). Aided by improvement in profitability, net cash Accruals has also improved from Rs. 22.38 crore in FY24 to Rs. 30.81 crore in FY25. In H1FY26, the company has achieved a topline of ~Rs.178.31 crore with EBITDA of ~Rs.26 crore.



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- **Healthy order book position**

The pending order book of PPL is ~Rs. 593.02 crore as on October 2025 which is 1.77 times of its FY25 revenue. Around 27% of the work order is expected to be executed in FY26. Remaining ~73% of the orders are expected to be executed in coming 12-24 months which provides medium term revenue visibility.

- **Healthy capital structure coupled with healthy debt coverage indicators**

The capital structure mainly consists of term loans, working capital borrowings, credit card outstanding and bank guarantees. Despite increase in debt, the capital structure of the company remained comfortable indicated by its debt-to-equity ratio at 0.52x (0.72x as on March 31, 2024) and Overall gearing at 0.79x (0.91x as on March 31, 2024) respectively as on March 31, 2025. The improvement in capital structure is driven by infusion of equity at premium amounting to Rs. 44.87 crore through IPO coupled with consistent accretion of profit to reserves. The net worth of PPL after adjustment for long pending debtors and advances for acquisition of shares of MRTC (India) Pvt Ltd stood at Rs. 94.92 crore as on March 31, 2025 (Rs.47.99 crore as on March 31, 2024). Further, total indebtedness of the company also remained comfortable marked by TOL/ATNW at 1.23x as on March 31, 2025 [1.64 as on March 31, 2024]. The interest coverage ratio has improved to 6.78x in FY25 (5.49x in FY24) fuelled by increase in absolute EBITDA. Though, with increase in debt, Total debt to EBITDA and Total debt to NCA has moderated, remained healthy at 1.75x and 2.43 years respectively as on March 31, 2025 (1.23x and 1.95 years respectively as on March 31, 2024). As on September 30th, 2025, the overall gearing and TOL/TNW of the company has further improved to 0.40x and 0.67x respectively. Furthermore, the Interest coverage has also improved to 8.81x.

- **Long track record of operation under experienced promoters**

PPL was originally set up in 2000 as a partnership firm, Paradeep Parivahan, by one Mr. Khalid Khan. Hence, it has a track record of more than 20 years. The day-to-day affairs of the company is look after by Mr. Khalid Khan, Mr. Pravat Kumar Nandi and Ms. Parbati Priya Nandi along with a team of experienced personnel, having experience of around two decades in this business.

- **End-to-end logistic services provider with efficient cargo handling capability**

The company is engaged in providing services like Stevedoring, Sea Transportation (Barging), Loading/ Unloading, Vehicle/ Rake Loading, Road Transportation and Rake Loading. The



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company's business involves loading and unloading of bulk cargo from or to the mother vessel and the delivery of the same to the required destination, either by road or rail. The company owns a large fleet of (400 vehicles) on-shore equipment such as excavators, pay-loaders, grabs, dumpers and trailers. Having a large fleet of own equipment and machinery helps the company to operate with higher efficiencies in terms of timely availability of transportation fleet at optimum cost. PPL provides complete ocean shipping solutions, mainly through Kolkata, Vizag and Haldia ports.

- **Favourable long-term demand outlook**

The Indian port infrastructure is expected to grow in the long-term, thereby spurting support industries such as dredging companies. However, the Indian ports sector is plagued by delays, 4 inadequate risk assessment of soil, limited escalation clauses and weak financial position. The shortage of dredgers in the Indian market provides opportunities for PPL.

Key Rating Weaknesses

- **Labour-intensive operations with exposure to highly unionised work force**

Due to the labour-intensive nature of business and operations in regions with highly unionised work force, the company remains exposed to the risk of strikes/industrial actions. However, the risk is mitigated to some extent on account of increasing mechanisation of operations over the last few years.

- **Port services sector is vulnerable to changes in Government regulations**

Most of the ports are implementing award of license for shore handling on the basis of competitive bidding for revenue share and imposed ceiling rates. This apart, the Ministry of Shipping has announced a policy to implement similar license scheme for stevedoring and shore-handling services at all major ports, whereas the operators had been mainly paying a modest license fee to the port and charge rates from customers based on the market demand. Hence, the changes in Government policies will impact the revenue growth and profitability of the companies operating in the port services sector. Furthermore, foreign trade restrictions could also materially impact PPL's business, financial condition. The company is exposed to risks from changes in trade policies, tariffs, embargoes, import/export bans, and other restrictions that may disrupt international cargo movement. However, PPL has not experienced any adverse impact from such trade restrictions during the past financial years.

- **Highly capital-intensive business, timely execution of unexecuted orders as per project timelines remains critical to meet anticipated cash flow obligations**



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The business of the company remains highly capital intensive, due to constant requirement to add more equipment's for smooth operations. Further, timely execution of the orders as per project defined timelines remains critical for adequate cash flow generation and servicing of debt obligations.

- **Cargo handling is vulnerable to broader economic trends, commodity demand cyclicity and competition from other ports**

The cargo handled and consequently, the financial performance of PPL remains vulnerable to the broader economic cycle's impact on exim traffic at the ports, demand cyclicity for specific commodities such as coal and competition from other major and minor ports. In the last few years, there has been some shift in cargo from the major to the minor ports in India due to location benefits and the superior facilities provided. Nonetheless, the impact on PPL has been mitigated to some extent by the presence of large customers providing repeat business owing to better connectivity to their plants in the hinterland.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Rating Methodology for Service Sector Companies](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

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

Liquidity – Adequate

The liquidity position of the company is expected to remain adequate in the near term marked by its expected adequate gross cash accruals in the range of ~Rs.44 - Rs.78 crore as against its debt repayment obligations in the range of ~Rs.13 to ~Rs.15 crore during FY26-FY28. The company has earned a gross cash accrual of Rs.30.81 crore in FY25 against debt repayment obligation of Rs.8.53 crore. Further, on the back of its comfortable capital structure, the company has adequate gearing headroom. Moreover, the current ratio also stood comfortable at 2.24x as on March 31, 2025. The average working capital utilisation remained at ~16% during the past 12 month's period ended September 2025, which imparts comfortable liquidity



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buffer. Following the successful stock exchange listing on March 24, 2025, the company received net proceeds of Rs.40.87 crore (after issue-related expenses of Rs. 4.00 crore) which will be deployed towards meeting working capital requirements and for general corporate purposes.

About the Company

PPL was originally set up in 2000 as a partnership firm, Paradeep Parivahan, by one Mr. Khalid Khan. The firm was reconstituted as a private limited company in 2006 as Paradeep Parivahan Pvt Ltd. Later in June 2024, the company was converted into a public company with the current name. PPL is engaged in port handling, on-shore dredging, and export of iron ore fines. PPL is primarily involved in providing stevedoring, shore handling and other port support services. It has also been providing services at the ports of Kolkata, Haldia and Vizag. The company has a registered office in Odisha and branches in Kolkata and Vizag.

Financials (Standalone):

For the year ended / As on*	(Rs. Crore)	
	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	211.27	335.82
EBITDA	35.46	42.78
PAT	14.61	24.17
Total Debt	43.62	74.78
Tangible Net worth	52.78	120.76
Adjusted Tangible Net Worth	47.98	94.92
EBITDA Margin (%)	16.79	12.74
PAT Margin (%)	6.90	7.18
Overall Gearing Ratio	0.91	0.79
Interest Coverage (x)	5.49	6.78

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil



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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	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
					October 01, 2024	Sept 15, 2023	June 23, 2022
1.	Term Loan/ GECL	Long Term	17.89	IVR BBB+; Stable	IVR BBB; Stable	IVR BBB-; Stable	-
3.	Cash Credit	Long Term	45.00	IVR BBB+; Stable	IVR BBB; Stable	IVR BBB-; Stable	IVR BBB-; Positive
4.	Bank Guarantee	Short Term	7.00	IVR A2	IVR A3+	IVR A3	IVR A3

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) 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.

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
Term Loan/GECL	-	-	-	May'29	17.89	IVR BBB+; Stable
Cash Credit	-	-	-	-	45.00	IVR BBB+; Stable
Bank Guarantee	-	-	-	-	7.00	IVR A2

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/len_paradeep_dec25_eae9714188.pdf

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

Annexure 4: List of companies considered for consolidated/Combined 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.