J M Baxi Ports & Logistics Private Limited

October 10, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	572.72 (Reduced from 611.98)	CARE A+ (RWD)	Continues to be on Rating Watch with Developing Implications
Long Term / Short Term Bank Facilities	120.00	CARE A+ / CARE A1 (RWD)	Continues to be on Rating Watch with Developing Implications

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) continues to place the rating assigned to bank facilities of J M Baxi Ports and Logistics Private Limited (JMBPL), under rating watch with developing implications due to the ongoing composite scheme of demerger ("**Scheme**"). As per the Scheme, JMBPL proposes to demerge its container and non-container businesses with resultant change in shareholding pattern for the respective verticals. The transaction is subject to completion of corporate and regulatory approvals applicable for respective assets. Approval from National Company Law Tribunal (NCLT) is awaited while other approvals have been received. CARE Ratings would continue to monitor the developments in this regard and will take a view on the ratings once the ongoing composite scheme of demerger is completed.

The ratings continue to derive strength from strong promoter group with extensive experience in maritime sector, diversified revenue stream, and presence in the entire value chain of logistics and port infrastructure with operations in container handling, bulk cargo, Container Freight Station (CFS), Inland Container Depot (ICD) and container train operations, and demonstrated ability to successfully execute brownfield and greenfield projects at various ports. The group is expected to derive business synergies from Hapag Lloyd Terminal Holding B.V. ("HLTH"), HLTH (Part of Hapag Lloyd Group) one of the largest global container shipping companies. HPAG Lloyd has invested to the tune of Rs.1,200 crore over the last two years (Rs.956 crore in FY24 and Rs.244 crore in FY25) and holds 49% stake in JMBPL.

The ratings also factor in satisfactory financial performance at consolidated level with throughput utilisation of ~60% in FY25 and revenue growth of ~5% in FY25 with PBILDT margin at 25% during the year.

JMBPL has undertaken significant debt funded capex and coverage metrics may moderate momentarily until the ongoing capex is completed. Total Debt to EBITDA moderated to 4.90x during FY25 from 3.83x in FY24 due to the capex undertaken. Net debt to EBITDA stood at 2.90x during FY25 as against 2.33x during FY24. With the expected increase in volumes and operationalisation of the under-construction terminals, the debt coverage indicators are expected to improve over the medium term. CARE Ratings expect the sustained net debt/EBITDA to remain between 3x to 3.5x over the long term.

The ratings also factor in operationalisation of Tuticorin International Container Terminal (TICTPL) during December 2024 and the same is expected to improve the volumes as well diversify revenue streams. Further, two under construction terminals at JNPT and Cruise terminal at Ballard Pier are also getting operationalised during FY26 thereby minimising the project risk and ramping up the business operation.

During FY25 and Q1FY26, the growth in container volumes have been muted primarily driven by the government's ban on the export of non-basmati/white rice and impact of red sea crisis leading to diversion in vessels. However, with removal of the ban on rice exports and operationalisation of new terminals, the volumes are expected to improve going forward.

The above ratings strengths, however, are tempered by inherent project execution risk for its underlying capex including multiple terminals, high susceptibility to economic cycles including red sea crisis, and intense competition from existing terminals and nearby ports on the eastern and western coast of India. JMBPL at consolidated level has also witnessed moderate growth during FY25 with subdued performance of Container terminal at Vizag which contributed about 16% of overall FY25 revenue. The cargo

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

volumes at Vizag have picked up during Q1FY26, however remains lower compared to last two years. The ramping up of cargo shall be important for the overall business growth. Besides, going forward, timely completion of ongoing project without any cost overrun and subsequent ramping up of cargo will be key rating sensitivity.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Scaling cargo volume post completion of projects with sustained increase in profit before interest, lease rentals, depreciation, and tax (PBILDT) margin
- Improvement in net debt/PBILDT to less than 3.25x on sustained basis

Negative factors

- Weakening of financial profile with net debt/PBILDT exceeding 4.5x on sustained basis
- Significant cost and/or time overrun in the new terminal projects
- Dilution of strategic importance of HLTH for JMBPL

Analytical approach: Consolidated

The credit assessment of JMBPL is based on consolidated business and financial risk profile of the company and its subsidiaries and JVs as most entities are linked through a parent-subsidiary relationship and collectively have management, business and financial linkages. Entities have integrated business operations and are engaged handling port infrastructure assets. JMBPL has extended corporate guarantees to its few of its subsidiaries. List of companies consolidated are listed in Annexure-6

Outlook: Not Applicable

Detailed description of key rating drivers:

Key strengths

Strong promoter group and synergies from HLTH

JMBPL is part of J M Baxi group, which has diversified business profile across the in entire value chain of logistics and port infrastructure. The group has demonstrated strong execution capabilities of port infrastructure assets and established track record of operations in various fields of maritime industry.

HLTH is one of the leading global container shipping companies resulting in operational synergies for JMBPL's existing and newly awarded terminals. The credit profile of HLTH also strengthens financial flexibility for the group. For CY24 (CY refers to January 01 to December 31), revenue and profit after tax (PAT) of HLTH stood at €19,112 million and €2,392 million respectively, with net worth of €20,723 million as on December 31, 2024. The group is expected to derive business synergies from Hapag Lloyd Terminal Holding B.V. ("HLTH"), HLTH (Part of Hapag Lloyd Group) one of the largest global container shipping companies.

Stable Cargo Volumes

JMBPL reported a flat growth of ~1% in FY25 and ~2% in Q1FY26 in terms of container volumes. In FY25, overall capacity increased by 6,96,000 TEUs to 33,46,000 TEUs, primarily driven by Tuticorin Terminal (600k TEU capacity) achieving COD in December 2024 and the commissioning of Inchhapuri Inland Container Terminal (on JMPL's books). Container utilisation stood at ~60% during FY25 (similar to FY24) and bulk cargo also remained rangebound at 55%. While majority of terminals witnessed improvement in cargo throughput, moderation at Vizag terminal (which contributes 36% of capacity) resulted in a flat growth. The performance at Vizag terminal was impacted due to Red Sea crisis and also ban on rice exports on October 2024. The company is trying to divert the volumes from Chennai Port and the ban on export of rice is lifted w.e.f May 2025. Therefore, the volumes are expected to recovery from Vizag port during the current year.

During Q1FY26, the volumes continued to remain in line with FY25 with annualised utilisation of 58% of container business, while bulk cargo has improved to 63%. Further, brownfield terminals at JNPT shall operationalise in FY26 thereby further ramping up capacities. JMPL has tied up with large steel players for the bulk terminal at NSDT and has also witnessed utilisation of ~51% at the Container terminal at JNPT during FY25.

Robust operating income and profitability

In FY25, JMBPL's operating income increased by ~5% to ₹2,221 crore (FY24: ₹2,117 crore), led by incremental contribution from ongoing logistics and Container and Non- container business. PBILDT moderated marginally to 25% during FY25 from 24% in FY24. Going forward the margins are expected to improve with the completion of the capex and improved volumes the overall margins are expected to improve in the medium term.

During Q1FY26 operating income increased to ₹621 crore (Q1FY25: ₹547 crore), PBIDLT Margin stood at 22.38% as against 24.13% during Q1FY25

Comfortable capital structure

Over the last two years, the company has received fresh equity infusion of Rs.1,200 crore from HLTH and during FY25, HLTH has increased its shareholding from 40% in FY24 to 49% with the equity infusion of Rs.244 crore. The equity has supported the capital structure despite incremental debt level for ongoing capex.

Debt/EBITDA is expected to remain elevated momentarily until completion of capex. Net debt/PBILDT weakened marginally to 2.90x (FY24: 2.33x), while total debt/PBILDT remained elevated at 4.90x (FY24: 3.83x). The new terminals post commissioning are likely to support PBILDT growth from FY27 onwards. Furthermore, two of the new projects at JNPT are having brownfield expansion and have partially commenced operations thereby generating cashflow. With presence of strategic JV partner in two of five new projects and business synergies received thereon, CARE Ratings expect volumes to pick up in new terminals contributing to PBILDT from FY26-27 onwards. Furthermore, the management philosophy expects the net debt/PBILDT to remain 4-4.5x post demerger in both the entities with long term sustainable net debt/PBILDT targeted around 3x.

Favourable Industry outlook

India's overall cargo industry outlook remains favourable despite ongoing geopolitical disruptions and trade policy shifts. Indian ports handled 1,593 million metric tonnes (MMT) of cargo in FY25, marking a 3% growth over FY24 and maintaining a healthy CAGR of ~5% over FY23–FY25. Container cargo continues to be a key growth driver, with volumes rising 11% in FY25 to 351 MMT and projected to grow by 8% in FY26 to approximately 380 MMT. Increasing investment and cargo traffic suggest a healthy outlook for the Indian ports sector. CareEdge Ratings estimates container volume growth in India at 8% in FY26, at ~380 MMT, supported by capacity expansion, rising transhipment activity and slated completion of the entire Western Dedicated Freight Corridor The sector's resilience is further bolstered by government initiatives such as the Sagarmala Programme and Maritime India Vision 2030, which aim to enhance infrastructure and reduce logistics costs.

Key weaknesses

Project execution risk for underlying capex

JMBPL has planned consolidated capex (including of JVs) put together at ₹2900 crore - ₹3000 crore over the next two to three years with construction period of new terminals ranging between 18 months to 36 months. This results in high project execution risk. However, the comfort is derived from completion of financial closure for all the projects, majority of equity infused and several under construction terminals commencing operations during current year. All the newly awarded terminals will have the tariff autonomy to the concessionaire.

As per conditions stipulated in demerger scheme, corporate guarantees/shortfall undertaking extended by JMBPL will be grandfathered and extended to all SPVs by both demerged container entity and JMBPL for a period of 3 years from the effective date, thereby making both verticals liable for present and all accepted obligations towards SPVs.

High competition from existing terminals and other ports coupled with presence of MGT clause

Due to presence of many major and non-major ports on the eastern and western coast of India, JMBPL's SPVs face stiff competition. For terminals on the west coast, it will face stiff competition from existing terminals operators within the port at JNPT, while Mundra Port, Mumbai Port and Tuna Tekra from inter port terminals. For terminals in the eastern coast, it will face competition from existing terminal operators within the port at Tuticorin, while Chennai Port, Cochin Port and Gangavaram port from inter port terminals. This apart, presence of minimum guaranteed tonnage (MGT) clauses in the concession agreement with absence of firm long-term agreements may impact the profitability in case of lower volumes. While JMBPL is fulfilling the MGT clauses at all terminals, its continuity of same remains critical.

High susceptibility to economic cycles

The performance of the port/shipping service sector is linked to cargo traffic, which in turn, is depend on the health of the economy and trade imbalance. The port/shipping service industry is mainly driven by increase in trade, rise in domestic consumption, growing exports, opening of new ports and increased government spending in infrastructure, among others. The sector is susceptible to downturn in the economy and local government policies regulating trade. Volumes handled also remain susceptible to economic downturns and cyclicality in global and domestic trade exports. Due to the ongoing Red Sea crisis, many shipping liner companies began rerouting their vessels leading to a longer journey time and rising freight cost. Lingering of the crisis will impact global transport volumes. However, the company's established relationships with top shipping lines, tie up with joint venture partner in two new terminals and strategic global container shipping investor partially mitigate the risk to a certain extent

Liquidity: Adequate

JMBPL's liquidity is adequate, with the company generating sufficient accruals against debt servicing requirement. At standalone level and consolidated level, the company had cash and bank balance of ₹594 crore and ₹1006 crore respectively as on June 30, 2025. With gross cash accruals of ₹322 crore and liquidity buffer in the form of cash & liquid investments, medium term debt obligations are expected to be adequately covered.

JMBPL (at standalone level) has sanctioned fund-based limit of ₹81 crore and utilisation has been moderate with average utilisation being below 61%.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

Definition of Default
Consolidation & Combined Approach
Port & Port services
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Infrastructure Sector Ratings
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport Infrastructure	Port & Port Services

JMBPL is the flagship entity of the J M Baxi group and has currently business operations at eight ports in India spread equally on the eastern and western coasts, resulting in geographical diversification. JMBPL (consolidated) has an established presence in end-to-end value chain of the port infrastructure business with terminals in Visakhapatnam, Paradip, Kandla, JNPT, Tuticorin, Rozi, and Haldia. The company has a CFS in Uran (JNPT) and Vizag, ICD and Cold store at Sonipat, Haryana, Project, and bulk logistics operation across India. The company also has container train operations with category III license to derive integration benefits at port-locations between Sonipat, Vishakhapatnam, Kandla and Pipavav. Currently, it is operating 25 rakes and has plans for expansion in line with the addition of new terminals.

As of March 31, 2025, 51% stake in JMBPL is held by promoters and the rest is held by HLTH.

Particular	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26(UA)
Total operating income	2117	2221	621
PBILDT	581	554	139
PAT	171	87	-
Overall gearing (times)	1.11	1.16	-
Interest coverage (times)	2.07	1.72	-

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	81.00	CARE A+ (RWD)
Fund-based - LT-Term Loan		-	-	31/12/2038	491.72	CARE A+ (RWD)
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	120.00	CARE A+ / CARE A1 (RWD)

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	491.72	CARE A+ (RWD)	-	1)CARE A+ (RWD) (04-Sep-24) 2)CARE A+; Stable (05-Apr-24)	1)CARE A+; Stable (07-Apr-23)	1)CARE A; Stable (06-Apr-22)
2	Fund-based - LT-Cash Credit	LT	81.00	CARE A+ (RWD)	-	1)CARE A+ (RWD) (04-Sep-24) 2)CARE A+; Stable (05-Apr-24)	1)CARE A+; Stable (07-Apr-23)	1)CARE A; Stable (06-Apr-22)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	120.00	CARE A+ / CARE A1 (RWD)	-	1)CARE A+ / CARE A1 (RWD) (04-Sep-24) 2)CARE A+; Stable / CARE A1 (05-Apr-24)	1)CARE A+; Stable / CARE A1 (07-Apr-23)	1)CARE A; Stable / CARE A1 (06-Apr-22)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Delhi International Cargo Terminal Private Limited	Full	Subsidiary
2	Visakha Container terminal Private Limited	Full	Subsidiary
3	Haldia International Container Terminal Private Limited	Full	Subsidiary
4	Paradip International Cargo Terminal Private Limited	Full	Subsidiary
5	Kandla International Container Terminal Private Limited	Full	Subsidiary
6	J M Baxi Heavy Private Limited	Full	Subsidiary
7	Vir varenya Shipping Singapore Pte. Limited	Full	Step down subsidiary
8	Ballard Pier Private Limited	Full	Subsidiary
9	J M Baxi Cool Private Limited	Full	Subsidiary
10	Nhava Sheva Distribution Terminal Private Limited	Full	Subsidiary
11	Tuticorin International Container Terminal Private Limited	Full	Subsidiary

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in **Relationship Contact** Saikat Roy Senior Director **CARE Ratings Limited** Phone: 912267543404 E-mail: saikat.roy@careedge.in	Puja Jalan Director **CARE Ratings Limited** Phone: 914040020131 E-mail: puja.jalan@careedge.in Tej Kiran Ghattamaneni Associate Director **CARE Ratings Limited** Phone: 914040020131 E-mail: tej.kiran@careedge.in Rahul Dhankhar Analyst **CARE Ratings Limited** E-mail: Rahul.dhankhar@careedge.in

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