

May 29, 2026

Divija Commercial Properties Pvt Ltd: Rating placed on Watch with Developing Implications

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Term loan	3,331.25	3,331.25	[ICRA]A; rating placed on Watch with Developing Implications
Total	3,331.25	3,331.25	

*Instrument details are provided in Annexure II

Rationale

The rating for Divija Commercial Properties Pvt Ltd (DCPPL) is placed on Watch with Developing Implications owing to the proposed debt transfer from DCPPL to its subsidiaries – Mandana Property Developers Private Limited (MPDPL) and Mahanga Commercial Properties Private Limited (MCPPL) in the near term. The assets under DCPPL (Campus 10 and Campus 20) have been transferred to MPDPL (Campus 10) and MCPPL (Campus 20) as per a demerger scheme. The watch will be resolved once the debt transfer is completed.

The rating continues to factor in the sustained healthy occupancy of 100% since FY2022 and the expected improvement in debt coverage metrics. The leverage, measured by total debt to annualised net operating income (NOI), is projected to remain adequate at around 6.8 times as of March 2027. The coverage metric is likely to remain healthy with five-year average DSCR of 1.35-1.40 times during FY2027-2031. The rating derives strength from the reputed tenant profile and the project's strategic location in Hitec City, Hyderabad, a key hub for IT/ITeS establishments. Further, comfort is drawn from the strong promoter profile, with equal shareholding by the RMZ Group and My Home Group, and established track record in the commercial real estate sector.

These strengths are partly offset by the geographical and asset concentration risks inherent in the single-asset nature of the development, as well as moderate tenant concentration, which increases vulnerability to market risks in the event of any significant vacancy or non-renewal of leases. The top five tenants account for nearly 45% of the total leasable area. Nevertheless, the presence of a reputed tenant profile mitigates the risk to an extent. The company remains exposed to the inherent cyclical nature in the real estate industry and is susceptible to external factors. The rating notes the vulnerability of its debt coverage metrics to factors such as changes in interest rates or material reduction in occupancy levels.

Key rating drivers and their description

Credit strengths

Sustained healthy occupancy and adequate debt protection metrics – The company has sustained healthy occupancy of 100% since FY2022. The leverage, measured by total debt to annualised NOI, is projected to remain adequate at around 6.8 times as of March 2027. The coverage metric is expected to remain healthy with five-year average DSCR of 1.35-1.40 times during FY2027-2031.

Favourable location of asset – The asset is favourably located in Hitec City, which is the hub of IT/ITeS establishments in Hyderabad. The location has seen a lot of leasing interest from multinational companies in the recent years, which has resulted in low vacancy levels. All these factors have led to a sustained healthy occupancy.

Strong promoter profile with established track record in commercial and real estate business – DCPPL is a 50:50 joint venture (JV) between Zola Real Estate Private Limited (part of the My Homes Group) and RMZ Infotechpark (India) Pvt Ltd (part of the RMZ Group). My Home Group has interests in real estate, transportation, and cement manufacturing, while the RMZ Group is one of the leading players in the commercial real estate segment in Bangalore.

Credit challenges

Single asset concentration and moderate tenant concentration risks – DCPPL owns a single asset, viz, the Skyview. It is exposed to geographical and asset concentration risks inherent in single asset nature of the development and moderate tenant concentration, which heightens the market risk in case of any significant vacancy/non-renewal of leases. The top five tenants occupy 45% of the total leasable area and contributes to around 43% of the total rental income. Nonetheless, the presence of a reputed tenant profile mitigates the risk to an extent.

Exposure to cyclicity in commercial real estate – The company remains exposed to the inherent cyclicity in the real estate industry and is susceptible to external factors. The rating notes the vulnerability of its debt coverage metrics to factors such as changes in interest rates or material reduction in occupancy levels.

Liquidity position: Adequate

The company’s liquidity profile is adequate, corroborated by free cash and cash balances of Rs. 9.2 crore as of March 2026. It has principal repayment obligations of Rs. 48 crore FY2027, which can be comfortably serviced through the estimated cash flow from operations. There are no capex plans for the company.

Rating sensitivities

Positive factors – The rating watch may be resolved once the debt from DCPPL is moved into proposed entities. The rating can be upgraded if the company is able to sustain high occupancies and there is material improvement in debt protection metrics. Specific credit metrics that could lead to a rating upgrade include total external debt/annualised NOI less than 6 times on a sustained basis.

Negative factors – The rating watch may be resolved once the debt from DCPPL is moved into proposed entities. Downward pressure on the rating could arise if there is any material decline in occupancy levels, or significant increase in indebtedness resulting in deterioration of debt protection metrics. Specific credit metrics for a rating downgrade include five-year average DSCR lower than 1.2 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Lease Rental Discounting (LRD)
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has consolidated the operational and financial profile of DCPPL and its wholly-owned subsidiaries MPDPL and MCPPL (details mentioned in Annexure III), given the close business, financial and managerial linkages.

About the company

Divija Commercial Properties Private Limited is a special purpose vehicle (SPV) set up to undertake a commercial office real estate development project in Hitec City, Hyderabad. The company is a 50:50 JV between Zola Real Estate Private Limited (part of My Homes Group) and RMZ Infotechpark (India) Pvt Ltd (part of RMZ Group). My Home Group has interests in real estate, transportation, cement manufacturing, project consultancy, property management services and education, while the RMZ Group is one of the leading players in the commercial real estate segment in Bangalore.

Key financial indicators (audited)

	FY2024	FY2025
Operating income	462.0	447.0
PAT	171.0	185.0
OPBDITA/OI	88%	85%
PAT/OI	37%	41%
Total outside liabilities/Tangible net worth (times)	2.8	2.0
Total debt/OPBDITA (times)	3.7	3.6
Interest coverage (times)	2.7	2.5

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore PAT: Profit after tax; OPBDITA: 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	Type	Amount rated (Rs. crore)	Current (FY2027)		Chronology of rating history for the past 3 years					
			FY2027		FY2026		FY2025		FY2024	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based – Term loan	Long-term	3,331.25	May 29, 2026	[ICRA]A; rating Watch with Developing Implications	-	-	Feb 24, 2025	[ICRA]A (Stable)	Dec 18, 2023	[ICRA]A (Stable)

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$))	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: 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.

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	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 II: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	October 2024	-	September 2039	3,331.25	[ICRA]A; rating Watch with Developing Implications

Source: Company

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

Annexure III: List of entities considered for consolidated analysis

Name	% of shareholding	Consolidation approach
Divija Commercial Properties Pvt Ltd	Rated entity	Full consolidation
Mandana Property Developers Private Limited	100%	Full consolidation
Mahanga Commercial Properties Private Limited	100%	Full consolidation

Source: ICRA Research

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