

June 14, 2022

## RMZ Infotech Private Limited: Rating Withdrawn

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term loans	3075.00	3075.00	[ICRA]A- (Stable); Withdrawn
Unallocated	81.72	81.72	[ICRA]A- (Stable); Withdrawn
<b>Total</b>	<b>3,156.72</b>	<b>3,156.72</b>	

\*Instrument details are provided in Annexure-1

### Rationale

The long-term rating assigned to the bank facilities of RMZ Infotech Private Limited (RIPL) has been withdrawn at the company's request, based on NCLTS's approval order and in accordance with ICRA's withdrawal policy. Pursuant to the Order, the demerged Undertaking (RIPL) and all assets and liabilities relating to the demerged undertaking stand transferred to and vested in RMZ Ecoworld Infrastructure Private Limited (REIPL). The Appointed date of the demerger as per the approved Scheme is December 06, 2020.

However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, have not been captured as the related instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy on Withdrawal of Credit Ratings</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology for Real Estate Entities</a>
Parent/Group Support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has taken a consolidated view of RIPL, two of its subsidiaries – REIPL and RAPPL along with RNSPL (as mentioned in Annexure -2) given the close business and financial linkages among them and a common sponsor support. The core assets and liabilities of RIPL are expected to be transferred to REIPL through an ongoing demerger process. In addition, the assets and cash flows of RAPPL and RNSPL are part of the security package for the debt availed in REIPL.

### About the company

The consolidated asset profile of RIPL, REIPL, RAPPL and RNSPL has a portfolio of 12.08 mn sqft of completed area on a consolidated basis, with an overall occupancy level of 88%, supported by long-term lease agreements and a good track record of tenant stickiness owing to competitive rentals in most of the assets. The consolidated portfolio includes business parks such as Ecospace, Ecoworld, Centennial, NXT in Bengaluru, RMBP I and RMBP II in Chennai, Icon in Pune and Northstar in Bengaluru. The tenant profile in the portfolio remains strong and diversified with leading multinational and Indian corporates such as Shell, SAP Labs, Honeywell, Standard Chartered, State Street, KPMG, HSBC, Intel and Morgan Stanley.

Currently, RIPL is 100% indirectly held by BSREP III New York FDI I (DIFC), post-acquisition by Brookfield from RMZ Group. REIPL and RAPPL are 100% subsidiaries of RIPL as per the current shareholding structure. RNSPL is wholly held by BSREP III New York

II (DIFC). BSREP III New York FDI I (DIFC) and BSREP III New York II (DIFC) are a part of Brookfield Group, which is one of the largest real estate investment managers globally and has an established track record in India.

### Key financial indicators

RIPL Consolidated	FY2020P	FY2021P
Operating Income (Rs. crore)	1259.9	1229.8
PAT (Rs. crore)	-124.1	-6541.5
OPBDIT/OI (%)	66.6%	75.3%
PAT/OI (%)	-9.9%	-531.9%
Total Outside Liabilities/Tangible Net Worth (times)	5.4	-2.4
Total Debt/OPBDIT (times)	10.8	11.1
Interest Coverage (times)	0.8	0.9

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; FY2020 and FY2021 numbers are provisional in nature

Note: The financials till November 2020 (8MFY2021) include two assets – RMZ Infinity Gurgaon and RMZ Infinity Bangalore which are not part of the portfolio acquired by Brookfield Group. Moreover, RMZ Infinity Chennai Limited has ceased to be a subsidiary of RIPL. Therefore, going forward, the financials will not be comparable with the past financials reported.

### Status of non-cooperation with previous CRA: Not applicable

Any other information: None

### Rating history for past three years

Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years					
	Type	Amount Rated (Rs. crore)	Amount Outstanding as of May 2022 (Rs. crore)	Date & Rating on	Date & Rating in FY2022		Date & Rating in FY2021		Date & Rating in FY2020	
				June 14, 2022	Oct 29, 2021	Apr 6, 2021	Oct 9, 2020	Dec 26, 2019 Oct 25, 2019 Aug 30, 2019	Apr 22, 2019	
1	Term Loans	Long-term	3,075.00	-	[ICRA]A-(Stable); Withdrawn	[ICRA]A-(Stable)	[ICRA]A-(Stable)	[ICRA]A&	[ICRA]A (Negative)	[ICRA]A (Stable)
2	Bonds	Long-term	--	--	--	--	[ICRA]A-(Stable) withdrawn	[ICRA]A&	[ICRA]A (Negative)	[ICRA]A (Stable)
3	Unallocated	Long-term	81.72	--	[ICRA]A-(Stable); Withdrawn	[ICRA]A-(Stable)	[ICRA]A-(Stable)	--	--	--
4	NCD	Long-term	--	--	--	--	--	--	--	--

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loans	Simple
Long term fund based - unallocated	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, is available on ICRA's website: [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loans	FY2017-FY2022*	-	FY2036 @	3075.00	[ICRA]A-(Stable); Withdrawn
NA	Unallocated	-	-	-	81.72	[ICRA]A-(Stable); Withdrawn

\* Represents loans sanctioned between FY2017 and FY2020

@ Represents the farthest maturity date among the various maturity dates for different term loans

Source: Company

### Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
RMZ Infotech Private Limited (RIPL)	Parent	Full consolidation
RMZ Ecoworld Infrastructure Private Limited (REIPL)	Fellow Subsidiary (100.00%)	Full consolidation
RMZ Azure Projects Private Limited (RAPPL)	Fellow Subsidiary (100.00%)	Full consolidation
RMZ Northstar Project Private Limited (RAPPL)	Common Sponsor	Full consolidation

Source: Company

Note: ICRA has taken a consolidated view of the RIPL, its subsidiaries – REIPL and RAPPL along with RNSPL while assigning the ratings.

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