

July 02, 2025

West Pioneer Properties (India) Private Limited: Long-term rating upgraded to [ICRA]BB+(Stable) and short-term rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Fund based - Term loan-I	110.00	110.00	[ICRA]BB+(Stable); upgraded from [ICRA]BB (Stable)
Non-fund based - Bank guarantee	2.00	2.00	[ICRA]A4+; reaffirmed
Total	112.00	112.00	

*Instrument details are provided in Annexure I

Rationale

The rating upgrade for the bank facilities of West Pioneer Properties (India) Private Limited (WPPIPL) factors in the construction completion of its residential project, Metro Grande, with the receipt of the occupancy certificate (OC) in May 2025, continued healthy occupancy levels for its malls (Metro Junction and Metro Plaza) supporting the overall cash inflows, which along with debt reduction, is expected to result in comfortable debt protection metrics. The consolidated occupancy for its assets - Metro Junction and Metro Plaza - is expected to improve and remain at 81-84% in FY2026 (76% as of March 2025). The ratings note the timely completion of construction with no cost overrun and adequate sales and collections for its residential project - Metro Grande. The operational inflows are expected to increase by 15-20% in FY2026, resulting in improved cash flow from operations. This, coupled with the reduction in total external debt through prepayments and scheduled repayments is likely to result in comfortable leverage and debt. The ratings continue to derive comfort from WPPIPL's experienced promoters in the real estate industry, the favourable location of its residential project and malls, along with the presence of a reputed tenant profile.

The ratings, however, remain constrained due to the modest scale of operations with a total leasable area of 5.14 lakh square feet and estimated collections of Rs. 130-140 crore in FY2026. The ratings are further constrained by the associated market risk, given that the consolidated vacancy remains at 24% in malls, along with 35% of the area remaining to be sold in its completed residential project as of March 2025. The commercial projects have high tenant concentration risk with top five tenants, contributing to ~44.5% of rental income. The ratings note WPPIPL's exposure to geographical concentration risk, as all its projects are currently located in Kalyan, Thane. This is compounded by intense competition from nearby residential and commercial properties amid the cyclical nature inherent in India's real estate sector.

The Stable outlook reflects ICRA's expectation that the company will benefit from the favourable location of the residential project and malls, resulting in an improvement in occupancy and achieve adequate sales and collections from the residential project while maintaining comfortable debt protection metrics.

Key rating drivers and their description

Credit strengths

Comfortable leverage and coverage metrics – The company's operational inflows are expected to increase by 15-20% in FY2026, supported by healthy collections from its residential project, as the company received OC in May 2025, along with adequate rental inflows from its mall assets. The consolidated occupancy for its assets - Metro Junction and Metro Plaza - is expected to improve and remain at 81-84% in FY2026 (76% as of March 2025). This, coupled with the reduction in total external debt through prepayments and scheduled repayments is likely to result in comfortable leverage and coverage metrics with

total external debt/CFO expected to be below 1 times as of March 2026 (PY: 1.5 times) and a DSCR of 4.8-5.0 times as of March 2026 (PY: 1.7 times).

Favourable location of projects and reputed tenant profile for the malls; timely escalation in rentals – The rating notes the favourable location of the projects in Kalyan, which is a part of the Mumbai Metropolitan region. These malls lease to reputed tenants, including Reliance Smart Bazaar, PVR, Lifestyle, Westside, Croma among others, minimising the company’s counterparty risk. The rentals are expected to improve further by 5-7% each in FY2026 and FY2027, backed by timely rental escalations.

Credit challenges

Modest scale of operations – The ratings remain constrained due to the entity’s modest scale of operations with a total leasable area of 5.14 lakh square feet and estimated collections of Rs. 130-140 crore in FY2026.

Exposed to market risk and tenant concentration risk– The ratings note the associated market risk, given that the consolidated vacancy remains at 24% in malls, along with 35% of the area remaining to be sold in its completed residential project as of March 2025. The commercial projects have high tenant concentration risk, with the top five tenants contributing ~44.5% of the total rental income.

Geographical concentration risk and susceptibility to cyclical in real estate sector – The real estate sector is cyclical, making it highly dependent on macroeconomic factors, exposing its sales to any downturn in demand for ongoing and upcoming projects. ICRA factors in the company’s exposure to competition in the region from several established players.

Liquidity position: Adequate

The company’s liquidity position is adequate with cash and bank balances of Rs. 21.2 crore as of March 2025. Further, it has debt repayment obligations of Rs. 17.3 crore in FY2026, which is expected to be comfortably met through its cash flow from operations.

Rating sensitivities

Positive factors – The ratings may be upgraded, if there is significant improvement in the malls’ occupancy, at adequate rental rates, along with significant increase in the residential sales and collections, resulting in improvement in the liquidity position while maintaining comfortable debt protection metrics, on a sustained basis.

Negative factors – Pressure on the ratings could arise, in case of any significant reduction in the malls’ occupancy and rental inflows or slowdown in sales and/or collection in its existing and upcoming project, or a substantial increase in indebtedness, adversely impacting the debt protection metrics or the liquidity position on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty- Commercial/Residential/Retail Realty- Lease Rental Discounting (LRD)
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

WPPIPL, incorporated in December 2004, is a Mumbai-based real-estate development company promoted by the Jatia Group. It is involved in the construction of shopping malls and the leasing of commercial space therein, along with the development and sale of residential apartments. The company received the OC for its under-construction residential project Metro Grande in May 2025. Till date, the company has developed a mall, two residential projects and a commercial plaza with a total saleable/leasable area of 14,98,251 sq. ft. on 16 acres of land in Kalyan (East) near Mumbai.

Key financial indicators (audited)

	FY2023	FY2024
Operating income	99.1	153.7
PAT	13.6	-7.7
OPBDIT/OI	32.2%	19.4%
PAT/OI	13.7%	-5.0%
Total outside liabilities/Tangible net worth (times)	4.0	2.7
Total debt/OPBDIT (times)	6.3	3.9
Interest coverage (times)	2.6	11.6

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

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	FY2026			FY2025		FY2024		FY2023	
	Type	Amount Rated (Rs. crore)	July 02, 2025	Date	Rating	Date	Rating	Date	Rating
Long term-term loan-fund based	Long Term	110.00	[ICRA]BB+ (Stable)	May-28, 2024	[ICRA]BB (Stable)	May-10, 2023	[ICRA]BB (Stable) ISSUER NOT COOPERATING	Jul-29, 2022	[ICRA]BB (Stable)
Non- fund based limit- Bank Guarantee	Short Term	2.00	[ICRA]A4+	May-28, 2024	[ICRA]A4+	May-10, 2023	[ICRA]A4+ ISSUER NOT COOPERATING	Jul-29, 2022	[ICRA]A4+
Fund based limit-Term loan	Long Term			-	-	-	-	Jul-29, 2022	[ICRA]BB (Stable); withdrawn
Fund Based Working Capital Limit	Long Term			-	-	-	-	Jul-29, 2022	[ICRA]BB (Stable); withdrawn
Unallocated	Short Term							Jul-29, 2022	[ICRA]A4+; withdrawn

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based – Term loan I	Simple
Short-term – Non-fund based – Bank guarantee	Very 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 I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
-	Term loan I	Jan 15, 2018	8.45%	Dec 06, 2028	110.0	[ICRA]BB+ (Stable)
-	Bank guarantee	NA	NA	NA	2.0	[ICRA]A4+

Source: Company

[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

Ashish Modani

+91 22 6169 3300

ashish.modani@icraindia.com

Anupama Reddy

+91 40 6939 6427

anupama.reddy@icraindia.com

Sweta Shroff

+91 124 4545 307

sweta.shroff@icraindia.com

Siddhartha Sharma

+91 124 4545 327

siddhartha.sharma@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



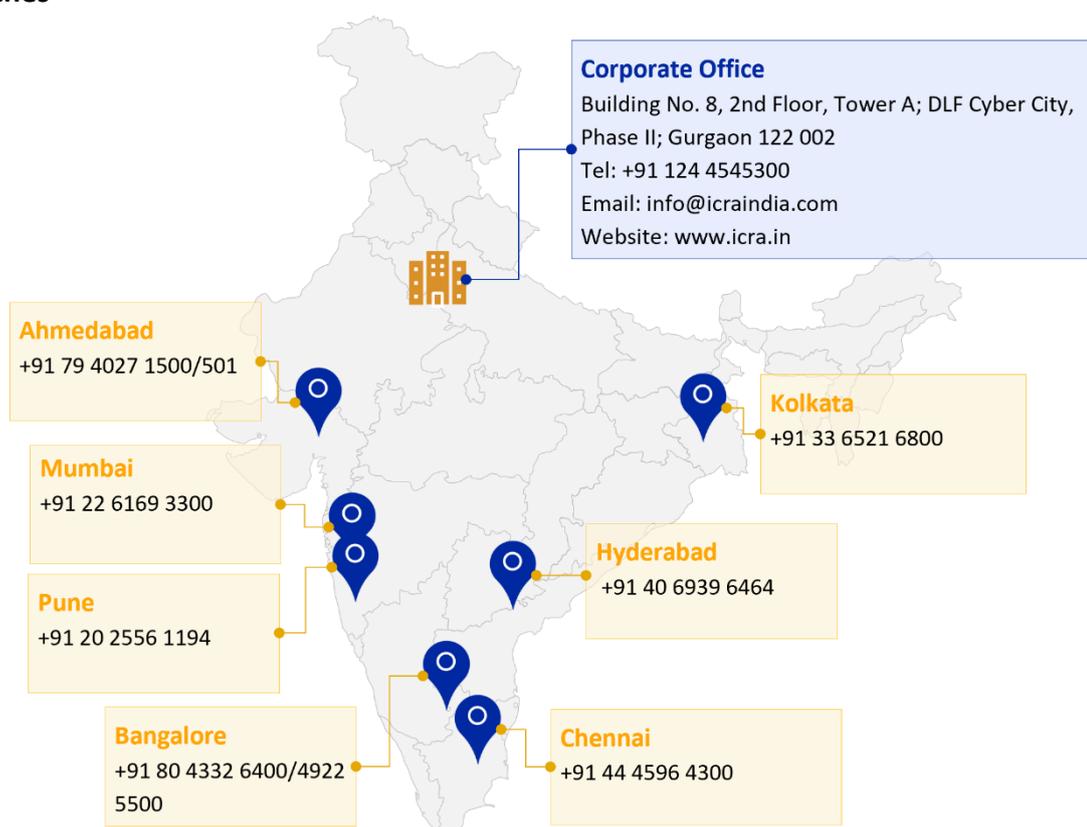
Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.