

July 04, 2025

HSK Logistics Assets (India) Private Limited: [ICRA]A- (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term fund based – Term loan	338.50	[ICRA] A- (Stable); assigned
Total	338.50	

*Instrument details are provided in Annexure I

Rationale

The assigned rating factors in HSK Logistics Assets (India) Private Limited's (HSK) strong promoter group, wherein HSK is a step-down subsidiary of Mapletree Investments Pte Limited, 100% subsidiary of Temasek Holdings (Private) Limited¹. The Mapletree Group has an established execution and leasing track record in industrial warehousing and office leasing segment. In India, Mapletree has a portfolio of more than 10 million square feet (msf) of operational and under-construction assets in the industrial logistics and commercial leasing segment across four cities, with healthy occupancy levels for the operational assets. Further, the strong promoter profile lends exceptional financial flexibility to the company. ICRA takes note of the sponsor's commitment to support the company in a timely manner for any shortfall in debt servicing, when need arises. The rating factors in the favourable location of the project, Celery, with total leasable area of 1.24 msf, located at Hosakote Taluka, Bengaluru. The project is 61% leased as of June 2025, and the occupancy is likely to ramp up to healthy levels in the near term. Further, the debt coverage metrics as measured by the 5-year average debt service coverage ratio (5-year average DSCR) is estimated to be comfortable at 1.35-1.4 times for FY2026-FY2030.

The assigned rating is, however, constrained by the exposure to market risk as 39% of the area is yet to be leased as of June 2025. However, the healthy leasing pipeline is likely to support ramp up of the occupancy levels going forward. Further, the company is exposed to refinancing risk, with the existing CF loan due for bullet repayment in March 2026, which is likely to be refinanced by a fresh loan. Nonetheless, these risks are mitigated by the sponsors' strong leasing track record and exceptional financial flexibility. The company is also exposed to high geographical and asset concentration risks, inherent in a single project portfolio.

The Stable outlook reflects ICRA's expectation that HSK's favourable project location will support adequate leasing and comfortable debt coverage metrics.

Key rating drivers and their description

Credit strengths

Strong promoters with established track records lend exceptional financial flexibility – HSK is a step-down subsidiary of Mapletree Investments Pte Limited, 100% subsidiary of Temasek Holdings (Private) Limited. The Mapletree Group has an established execution and leasing track record in industrial warehousing and the office leasing segment. In India, Mapletree has a portfolio of over 10 msf of operational and under-construction assets in the industrial logistics and commercial leasing segment across four cities (Bengaluru, Chennai, Mumbai and Pune) with healthy occupancy levels for the operational assets. The presence of strong promoter lends exceptional financial flexibility to the company. ICRA takes note of sponsors' commitment to support the company in a timely manner for any shortfall in debt servicing, when need arises.

Favourable project location – The project, Celery, is located at Hosakote Taluka, Bengaluru. Hosakote Taluka is part of the Bengaluru rural district, which often benefits from various government incentives aimed at boosting industrial and logistics

¹100% owned by Government of Singapore through Minister of Finance

activities and is strategically located near key transportation routes, including highways and railways, facilitating efficient movement of goods.

Comfortable debt coverage metrics – Supported by stable rental inflow owing to the occupancy levels and limited debt obligation, the debt coverage metrics as measured by 5-year average DSCR is estimated to be comfortable at 1.35-1.4 times for FY2026-FY2030.

Credit challenges

Exposed to market risk and refinancing risk – The occupancy levels for the project remained moderate with 39% of the area yet to be leased as of June 2025, thereby exposing the company to market risk. However, the healthy leasing pipeline is likely to support ramp up of the occupancy levels going forward. Further, the company is exposed to refinancing risk, with the existing CF loan due for bullet repayment in March 2026, which is likely to be refinanced by a fresh loan. Nonetheless, these risks are mitigated by the sponsors' strong leasing track record and exceptional financial flexibility.

Geographical and asset concentration risk – The company completed one warehouse project, Celery, in January 2025, located at Hosakote Taluka, Bengaluru. Moreover, with no upcoming project, HSK is exposed to geographical and asset concentration risks.

Liquidity position: Adequate

The company's liquidity position is adequate with free cash and liquid investments of Rs.17.6 crore and undrawn term loan of Rs. 63.1 crore as of March 2025. The CF loan has a bullet repayment due in March 2026, and is likely to be refinanced by a fresh term loan. The sponsor is expected to support HSK in case of any liquidity mismatches. Further, the company has no major capex plans in the medium term.

Rating sensitivities

Positive factors – HSK's rating is likely to be upgraded if there is significant leasing at adequate rental rates resulting in strong debt protection metrics on a sustained basis.

Negative factors – Downward pressure on the rating could emerge in the inability to achieve adequate leasing leading to deterioration in debt protection metrics 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	Standalone

About the company

HSK Logistics Assets (India) Private Limited (HSK), incorporated in December 2006, is promoted by the Singapore-based Mapletree Group. HSK is engaged in the business of construction, development and leasing of warehouses, logistics parks and all related activities. The company has developed a large-scale Grade A logistics facility, named 'Celery', at a 51.15-acre land parcel located at Village Kadaranapura, Sulibele Hobli, Hosakote Taluka, Bengaluru, with a total leasable area of 1.24 msf, with construction completed in January 2025. The OC was received on January 25, 2025. The project is 61% leased as of June 2025.

Key financial indicators (audited)

(Standalone)	FY2023	FY2024	8MFY2025*
Operating income	-	-	-
PAT	- 0.3	0.3	- 0.9
OPBDIT/OI	-	-	-
PAT/OI	-	-	-
Total outside liabilities/Tangible net worth (times)	2.4	12.3	13.3
Total debt/OPBDIT (times)	8.3	16.4	13.9
Interest coverage (times)	0.9	1.0	1.0

Source: Company, ICRA Research; * Provisional; 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

Current (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	July 04, 2025	Date	Rating	Date	Rating	Date	Rating
Term loan	Long term	338.50	[ICRA] A- (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

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 I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	March 2023	7.6%	March 2026	338.50	[ICRA] A- (Stable)

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

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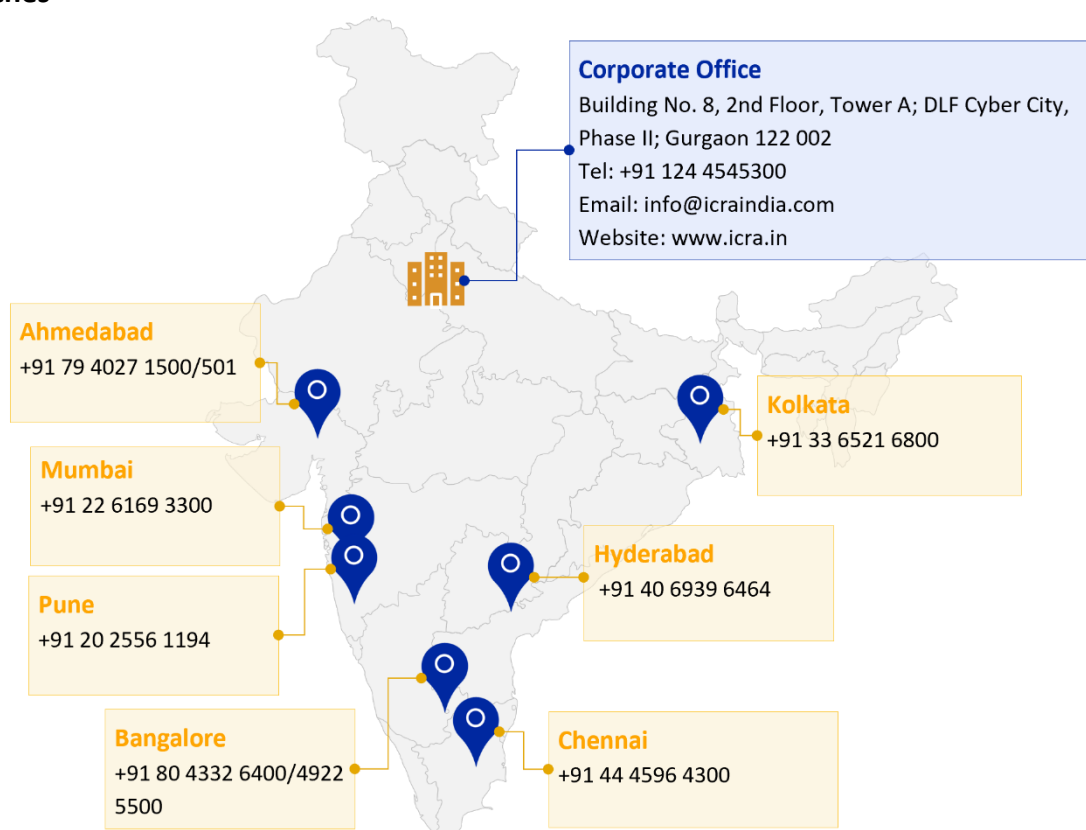
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