

November 04, 2025

Rostrum Realty Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term – Fund based – Term loan	1555.00	1555.00	[ICRA]AAA (Stable); reaffirmed
Long-term fund-based – Overdraft	20.00	20.00	[ICRA]AAA (Stable); reaffirmed
Long-term – non fund-based - Interchangeable#	(20.00)	(3.00)	[ICRA]AAA (Stable); reaffirmed
Total	1,575.00	1,575.00	

*Instrument details are provided in Annexure I

#includes non-fund-based facilities (Bank guarantee/letter of credit) which is sublimit to overdraft

Note: Rostrum Realty Private Limited (RRPL) is a special purpose vehicle (SPV), which has three wholly owned subsidiaries – Aspen Buildtech Private Limited (ABL), Arnon Builders and Developers Private Limited (ABDL) and Oak Infrastructure Developers Private Limited (OIDL), together referred as pooled assets. The debt for the pooled assets has cross collateralisation and cross-default clauses.

Rationale

The rating reaffirmation of RRPL reflects its strong parentage derived from being equally owned by Brookfield India Real Estate Trust (BIRET, rated [ICRA]AAA (Stable)), and Brookfield group¹ as they have significant experience and operational track record in the commercial real estate industry. The pooled assets hold high strategic importance for BIRET, as they are estimated to contribute ~18% of gross asset value as of March 2025. The consolidated occupancy level of pooled assets improved to 95% as of June 2025 (from 93% in June 2024 and 88% in September 2023). This along with increase in rent rates, refinancing of loan with elongated repayment schedule and reduction in interest rates by ~100 bps has resulted in improvement in debt protection metrics of the pooled assets. The total debt/net operating income (NOI) is expected to be ~6.5-6.7 times as of March 2026 (6.8 times as of March 2025 and 7.9 times as of March 2024) and five-year average debt service coverage ratio (DSCR) of 1.50 – 1.55 times (FY2026 – FY2030). The company also derives strong financial flexibility being part of Brookfield REIT.

The rating continues to factor in healthy business risk profiles of the pooled assets, which consist of 2.47 million square feet (msf) of commercial office leasable space and 0.83 msf of retail space, spread across New Delhi, Gurugram and Ludhiana. The pooled assets have a reputed tenant mix and are in favourable locations with good connectivity enhancing their marketability.

RRPL consists of a commercial office space Airtel Tower with a leasable area of 0.69 msf in Gurugram and a retail unit - Pavillion Mall in Ludhiana, Punjab with a leasable area of 0.39 msf. ICRA notes that the Airtel Tower is fully leased (100% occupancy) to Bharti Airtel.

With high debt of the pool getting concentrated in the books of RRPL, the leverage on standalone basis as reflected in total debt/NOI stood at 8.9 times as of March 2025 and is expected to remain in the range of 8.6-8.8 times as of March 2026. However, comfort is derived by the comfortable debt protection metrics for the pooled assets and the surplus sharing arrangement among them. Further, RRPL on standalone basis is exposed to high tenant concentration risk as Bharti Airtel occupies around 100% of the total leasable area in the Airtel Tower and top 5 tenants occupy around 52% of the total leased area in Pavillion Mall as of June 2025.

¹ Through Metallica Holdings (DIFC) Limited

The pooled assets remain exposed to the inherent cyclicity in the real estate industry and vulnerability to external factors. The rating notes the vulnerability of debt coverage ratios to factors such as changes in interest rate or material reduction in occupancy levels.

The Stable outlook reflects ICRA's opinion that the company would benefit from the stable operations of the pooled assets, reputed tenant profile, improved debt protection metrics and strong financial flexibility being part of BIRET.

Key rating drivers and their description

Credit strengths

Strong parentage derived from Brookfield India Real Estate Trust and Brookfield Group – RRPL is held equally owned by BIRET (rated [ICRA]AAA (Stable)), and Brookfield group as they have significant experience and operational track record in the commercial real estate industry. The pooled assets hold high strategic importance for BIRET, as they are estimated to contribute ~18% of gross asset value as of March 2025. The company also derives strong financial flexibility being part of Brookfield REIT.

Cross-collateralised structure with surplus sharing among SPVs lends strength to debt structure – The consolidated occupancy level of pooled assets improved to 95% as of June 2025 (from 93% in June 2024 and 88% in September 2023). This along with increase in rent rates, refinancing of loan with elongated repayment schedule and reduction in interest rates by ~100 bps has resulted in improvement in debt protection metrics of the pooled assets. The total debt/net operating income (NOI) is expected to be ~6.5-6.7 times as of March 2026 (6.8 times as of March 2025 and 7.9 times as of March 2024) and five-year average debt service coverage ratio (DSCR) of 1.50 – 1.55 times (FY2026 – FY2030).

Favourable locations of pooled assets with reputed tenants – The pooled assets consist of 2.47 msf of commercial office leasable space and 0.83 msf of retail space, spread across New Delhi, Gurugram and Ludhiana. The pooled assets have a reputed tenant mix and are in favourable locations with good connectivity enhancing their marketability. RRPL consists of a commercial office space Airtel Tower with a leasable area of 0.69 msf in Gurugram and a retail unit - Pavillion Mall in Ludhiana, Punjab with a leasable area of 0.39 msf. ICRA notes that the Airtel Tower is fully leased (100% occupancy) to Bharti Airtel.

Credit challenges

Moderate leverage levels and exposure to high tenant concentration risk for RRPL – With high debt of the pool getting concentrated in the books of RRPL, the leverage on standalone basis as reflected in total debt/NOI stood at 8.9 times as of March 2025 and is expected to remain in the range of 8.6-8.8 times as of March 2026. However, comfort is derived by the comfortable debt protection metrics for the pooled assets and the surplus sharing arrangement among them. Further, RRPL on standalone basis is exposed to high tenant concentration risk as Bharti Airtel occupies around 100% of the total leasable area in the Airtel Tower and top 5 tenants occupy around 52% of the total leased area in Pavilion Mall as of June 2025.

Vulnerable to cyclicity and changes in interest rates – The pooled assets remain exposed to the inherent cyclicity in the real estate industry and vulnerability to external factors. Nonetheless, ICRA takes comfort from the healthy occupancy levels of the pooled assets. The rating notes the vulnerability of debt coverage ratios to factors such as changes in interest rate or material reduction in occupancy levels.

Liquidity position: Adequate

The pooled assets had cash and bank balance of Rs. 200.4 crore as on March 31, 2025, and estimated principal repayment obligations of Rs. 2.9 crore in H2 FY2026 and Rs. 51 crore in FY2027, which can be comfortably serviced through its estimated cash flow from operations. RRPL on standalone basis, had cash and bank balance of Rs. 22.2 crore as of March 31, 2025. Its liquidity is supported by the debt structure, wherein each SPV has access to the surpluses of the other SPVs under pooled assets.

Rating sensitivities

Positive factors – NA

Negative factors –Negative pressure on the rating could emerge, if there is a material decline in occupancy, or a significant increase in indebtedness for the pooled assets resulting in weakening of debt protection metrics on a sustained basis. Further, any deterioration in the credit profile or weakening of linkages with Brookfield REIT might have a bearing on RRPL's rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Lease Rental Discounting (LRD)
Parent/Group support	Parent: Pool of four entities namely Rostrum Realty Private Limited (RRPL) and its wholly-owned subsidiaries, Aspen Buildtech Private Limited (ABL), Arnon Builders and Developers Private Limited (ABDL) and Oak Infrastructure Developers Private Limited (OIDL). All the four entities have common lenders, are co-borrowers, and the debt availed by them have a cash flow pooling mechanism, with presence of cross-default clauses and surplus sharing. The rating for RRPL has been arrived at by following the analytical steps as given below: 1. An assessment of the standalone credit profile of RRPL. 2. An assessment of credit profiles of the pooled assets by considering consolidated business and financial risk profiles of the pooled assets. 3. The final rating for the bank facility of RRPL is arrived at by suitably notching up the standalone rating after duly considering the support from the pooled assets as per the debt structure and the linkages between the standalone entity and the pooled assets.
Consolidation/Standalone	Standalone

About the company

Rostrum Realty Private Limited (RRPL) was incorporated on November 03, 2021, and is engaged in the business of construction, development, operation and maintenance of real-estate assets. It is ultimately owned by Brookfield India Real Estate Trust (50%) and Brookfield Group (Metallica Holdings (DIFC) Limited – 50%). At present, it owns and operates Pavilion Mall in Ludhiana, Punjab and Airtel Centre (office space) in Gurugram, with a total leasable area of 1.08 msf. It also has three wholly owned subsidiary companies, Aspen Buildtech Private Limited (ABL), Arnon Builders and Developers Private Limited (ABDL) and Oak Infrastructure Developers Private Limited (OIDL), which hold different assets.

Key financial indicators (audited)

Standalone – RRPL	FY2024	FY2025
Operating income	265.6	295.0
PAT	-91.2	29.5
OPBDIT/OI	40.3%	37.2%
PAT/OI	-34.3%	10.0%
Total outside liabilities/Tangible net worth (times)	-2.9	-2.4
Total debt/OPBDIT (times)	14.3	14.0
Interest coverage (times)	0.7	0.7

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

Current (FY2026)			Chronology of rating history for the past 3 years							
Instrument	Type	Amount rated (Rs. crore)	FY2026		FY2025		FY2024		FY2023	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loans	Long Term	1555.00	Nov 04, 2025	[ICRA]AAA (Stable)	Sep 30, 2024	[ICRA]AAA (Stable)	Oct 05, 2023	[ICRA]A (Stable)	-	-
			-	-	Mar 13, 2025	[ICRA]AAA (Stable)			-	-
Overdraft	Long Term	20.00	Nov 04, 2025	[ICRA]AAA (Stable)	Sep 30, 2024	[ICRA]AAA (Stable)	Oct 05, 2023	[ICRA]A (Stable)	-	-
			-	-	Mar 13, 2025	[ICRA]AAA (Stable)			-	-
Non-fund based limits	Long Term	-	-	-	Sep 30, 2024	[ICRA]AAA (Stable)	Oct 05, 2023	[ICRA]A (Stable)	-	-
Non fund-based - Interchangeable [#]	Long Term	(3.00)	Nov 04, 2025	[ICRA]AAA (Stable)	Mar 13, 2025	[ICRA]AAA (Stable)	-	-	-	-

[#] - Includes non-fund-based facilities (Bank guarantee/letter of credit) which is sublimit to overdraft

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term Fund-based – Term loan	Simple
Long-term Fund-based – Overdraft	Simple
Long Term – Non fund-based - Interchangeable [#]	Very Simple

[#] sublimit to overdraft

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 loans	FY2025	-	FY2040	1555.00	[ICRA]AAA (Stable)
NA	Overdraft	-	-	-	20.00	[ICRA]AAA (Stable)
NA	Interchangeable limits [#]	-	-	-	(3.00)	[ICRA]AAA (Stable)

Source: Company; # - Includes non-fund based facilities (bank guarantee/letter of credit) which is sublimit to overdraft

[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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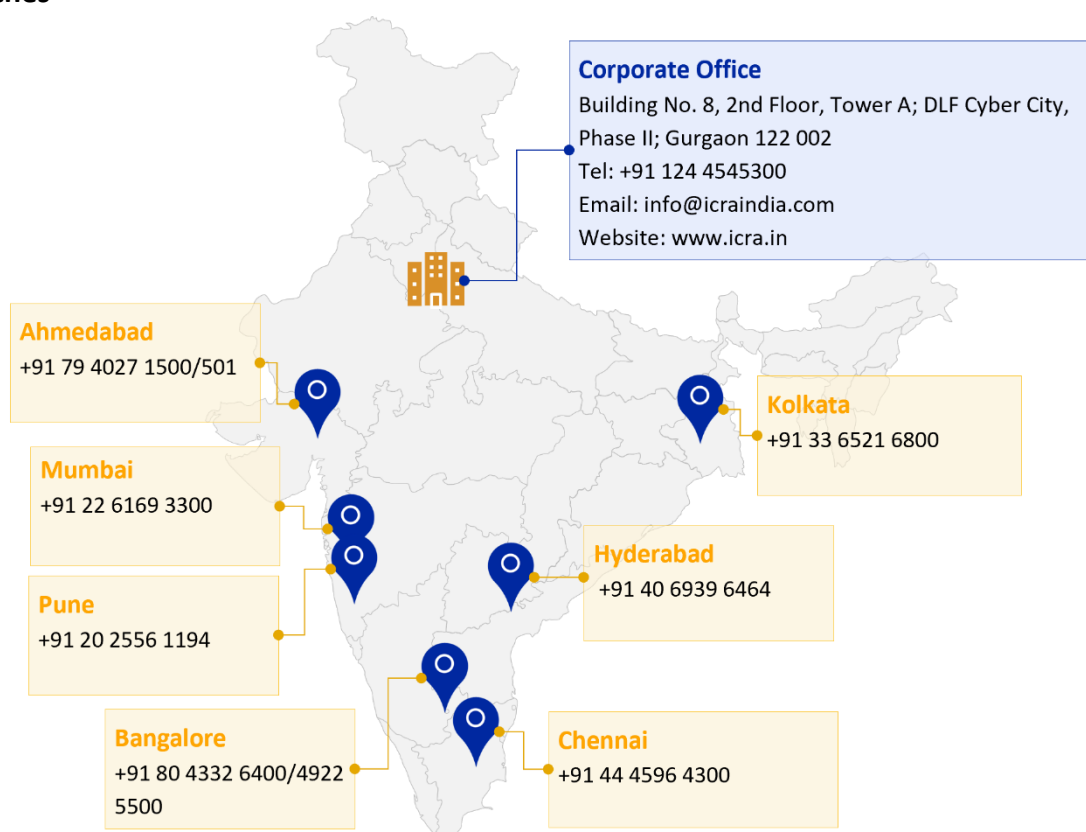
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