

January 28, 2026

## Carol Info Services Limited: Rating reaffirmed; rated amount enhanced

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term – Fund-based – Term loan	450.00	550.00	[ICRA]BBB (Stable); reaffirmed and assigned for the enhanced amount
<b>Total</b>	<b>450.00</b>	<b>550.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

The rating reaffirmation for Carol Info Services Limited (Carol) factors in its continued healthy debt protection metrics. The rating also accounts for the current strong occupancy (100%) for its total leasable area of 1.67 lakh square feet (sq. feet), and expectations that the occupancy will remain robust, going forward. The majority of the leasable area is leased to Wockhardt Limited (Wockhardt, rated [ICRA]BBB (Positive)/ [ICRA]A3+), The company owns two properties, one at Bandra Kurla Complex (BKC), Mumbai, with a leasable area of 1.14 lakh sq. feet and another at Aurangabad (Maharashtra) with a leasable area of 0.53 lakh sq. feet. It has a healthy track record of timely receipt of rent payments from existing tenants, which include Wockhardt, Adani Electricity Mumbai Limited (Adani Electricity) and Ascendas Firstspace Development Management Private Limited (Ascendas Group). Additionally, the BKC property's presence in one of the premium commercial locations in Mumbai, support its value and rental income potential for the company.

In November 2025, Carol refinanced its existing loan of Rs. 450 crore at a lower rate of interest and availed a top-up loan of Rs. 100 crore. This has caused an increase in leverage, with an expected lease rental discounting (LRD) debt/net operating income (NOI) of 6.7-6.8 times as on March 31, 2026, vis-à-vis 5.0-5.2 times prior to the refinancing. Nonetheless, the rating reaffirmation factors in the comfortable five-year average debt service coverage ratio (DCSR) of 1.4-1.5 times stemming from lower rate of interest and favourable repayment terms. The end use of the loan proceeds (which are currently deployed in liquid overnight mutual funds) also remains a monitorable.

The rating, however, continues to be constrained by high tenant and asset concentration risks. About 83% of the total leasable area is currently leased out to Wockhardt (around 75% of the leasable area at BKC and 100% of the leasable area at Aurangabad), exposing it to significant tenant concentration risk. Besides, the BKC property generates around 92% of the company's rental revenues, resulting in an asset concentration risk. The rating is also constrained by Carol's substantial investments/ loans and advances amounting to around Rs. 1,293.1 crore in Group companies and promoter entities as on March 31, 2025 (at the consolidated level) and Rs. 1,701.4 crore (at the standalone level). The company is not generating any return from these investments and there is no definite timeline for recovery of these investments, limiting its financial flexibility. It also continues to be vulnerable to fluctuations in interest rates and occupancy levels, which could affect its debt coverage metrics. The weighted average lease expiry (WALE) of the asset currently stands at 1.85 years, compared to the remaining debt repayment period of around 15 years, exposing the company to lease renewal risk.

The Stable outlook on the rating reflects ICRA's expectations that Carol's credit profile will be supported by the continuation of strong occupancy level as well as the favourable location of its rental property.

## Key rating drivers and their description

### Credit strengths

**Healthy occupancy and track record of timely rent receipts** – The company owns two properties, one at BKC with a leasable area of 1.14 lakh sq. feet and another at Aurangabad with a leasable area of 0.53 lakh sq. feet. Both the properties are fully occupied at present. The tenant profile includes reputed corporates such as Wockhardt (rated [ICRA]BBB (Positive)/[ICRA]A3+), Adani Electricity and the Ascendas Group, which reduces the counterparty risk to an extent. The company has a proven track record of timely receipt of rent payments from its existing tenants. Further, presence of a rent escalation clause in the lease agreements ensures steady growth in rental income over the lease term, providing a cushion against inflation and other market fluctuations.

**Favourable location of the property** – Out of the total leasable area of around 1.67 lakh sq. feet, around 1.14 lakh sq. feet is located at BKC as a commercial office space named Wockhardt Towers that presently generates around 92% of its rental revenues. The property is located at a premium commercial area in the central business district (CBD) of the Mumbai Metropolitan Region (MMR), which further supports the property's value and rental income potential for the company. ICRA expects Carol to benefit from the low vacancy level and limited upcoming supply in the BKC micro-market.

**Adequate debt metrics** – In November 2025, the company refinanced its existing loan of Rs. 450 crore at a lower rate of interest and availed a top-up loan of Rs. 100 crore. This has caused an increase in leverage, with an expected lease rental discounting (LRD) debt/net operating income (NOI) of 6.7-6.8 times as on March 31, 2026, vis-à-vis 5.0-5.2 times prior to the refinancing. Nonetheless, the rating reaffirmation factors in the comfortable five-year average debt service coverage ratio (DCSR) of 1.4-1.5 times stemming from lower rate of interest and favourable repayment terms.

### Credit challenges

**High tenant and asset concentration risks** – About 83% of the total leasable area is currently leased out to Wockhardt Limited (around 84% of the leasable area at BKC and 100% of the leasable area in Aurangabad), exposing the company to high tenant concentration risk. Although the leased space remains critically important for the operations of Wockhardt, any adverse developments affecting Wockhardt's business could significantly impact Carol's cash flows and debt coverage metrics. Moreover, the BKC property currently generates around 92% of the company's rental revenues, resulting in an asset concentration risk. However, the favourable location of the BKC property mitigates this risk to an extent.

**Large investments in group companies** – The company has substantial investments and loans and advances amounting to around Rs. 1,293.1 crore as of March 31, 2025 (consolidated level) and Rs. 1,701.4 crore as of March 31, 2025 (standalone level) in Group companies and promoter entities. These investments were funded through proceeds from partial sale of the BKC property over a decade ago, along with an LRD loan and subsequent top-ups on the same, as well as through internal accruals. Out of these investments, around 41% has been invested in Wockhardt Hospitals and the balance in various promoter and group entities. The company is not generating any return from these investments and there is no definite timeline for recovery of these investments, limiting its financial flexibility. ICRA will continue to monitor the investments in group or promoter entities and their impact, if any, on the debt metrics and liquidity position of Carol.

**Vulnerability of debt coverage metrics to fluctuations in interest rate and occupancy levels** – The company's debt coverage metrics remain vulnerable to fluctuations in interest rates and occupancy level of the leased properties. The WALE of the asset currently stands at 1.85 years, compared to the remaining debt repayment period of around 15 years, exposing it to lease renewal risk. However, long-term association with its group company, Wockhardt Limited, a major revenue-generating tenant, and its consistent track record of lease renewals provide comfort to an extent.

## Liquidity position: Adequate

The company's liquidity remains adequate, with free cash and bank balances and liquid investments of Rs. 147.0 crore as on December 31, 2025, apart from the balance in the debt service reserve account (DSRA) of Rs. 14.8 crore. It does not have any working capital line. The company is not expected to incur any major capital expenditure (capex) in the near term, and any maintenance capex (of Rs. 2-3 crore) will be funded through internal accruals. Carol has a repayment obligation of Rs. 2.6 crore, Rs. 7.0 crore and Rs. 12.3 in FY2027, FY2028 and FY2029, respectively, for its existing LRD loan. ICRA expects Carol to meet its near-term repayment obligations through its internal accruals derived from rental receipts. Moreover, structural features, such as DSRA covering three months of debt servicing and an escrow mechanism, provide additional comfort. The end use of the loan proceeds (which are currently deployed in liquid overnight mutual funds) also remains a monitorable.

## Rating sensitivities

**Positive factors** – ICRA could upgrade the rating in case a significant reduction in debt level leads to a sustained improvement in leverage and coverage metrics.

**Negative factors** – Negative pressure on the rating could arise if there is a material decline in occupancy levels and/or any delay in timely rental receipts or significant increase in leverage levels, leading to 5-year average DSCR of less than 1.25 times on a sustained basis.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Realty - Lease Rental Discounting (LRD)</a>
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Carol. Refer to Annexure-II for the list of entities considered for consolidation.

## About the company

Carol Information Services Limited (Carol) is owned by the Khorakiwala family (promoters of the Wockhardt Group). The shareholding is through the promoters directly as well as via their investment arm. The company owns two commercial assets with a total leasable area of around 1.67 lakh square feet (lsf), out of which one is located in Mumbai (BKC - Wockhardt Towers and Cephal) and the other one is in Aurangabad (The Benchmark).

The majority of the leasable area of the BKC building has been leased out to Wockhardt Limited and the remaining area to Adani Electricity and Ascendas Group. The company's resort in Aurangabad has been completely leased out to Wockhardt Limited and includes an office building and a resort. The majority of its rent is derived from the BKC building (named Wockhardt Towers with a leasable area of 1.14 lsf) and is important to Wockhardt Group. The company has had these rental arrangements with Wockhardt for more than 16 years.

### Key financial indicators (audited)

Carol (consolidated)	FY2024	FY2025
Operating income	100.0	72.1
PAT	111.8	(9.9)
OPBDIT/OI	87.7%	79.6%
PAT/OI	111.8%	-13.7%
Total outside liabilities/Tangible net worth (times)	0.7	0.7
Total debt/OPBDIT (times)	5.2	7.8
Interest coverage (times)	1.6	1.1

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

Instruments	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Jan 28, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
<b>Fund-based – Term loan</b>	Long term	550.00	[ICRA]BBB (Stable)	Sept 11, 2025	[ICRA]BBB (Stable)	Aug 22, 2024	[ICRA]BBB- (Stable)	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
<b>Long-term fund-based – Term loan</b>	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	FY2026	8.35%	FY2041	550.00	[ICRA]BBB (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**

Company name	Ownership as on March 31, 2025	Consolidation approach
Banneret Trading Private Limited	100.00%	Full Consolidation
Wockhardt Hospitals Limited	48.36%	Equity Method

Source: Company

## ANALYST CONTACTS

**Jitin Makkar**

+91 124 4545 328

[jitinm@icraindia.com](mailto:jitinm@icraindia.com)

**Kinjal Shah**

+91 22 6114 3400

[kinjal.shah@icraindia.com](mailto:kinjal.shah@icraindia.com)

**Sakshi Suneja**

+91 22 6169 3349

[sakshi.suneja@icraindia.com](mailto:sakshi.suneja@icraindia.com)

**Viren Jhunjunwala**

+91 22 6169 3328

[viren.jhunjunwala@icraindia.com](mailto:viren.jhunjunwala@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto: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](http://www.icra.in)

## ICRA Limited



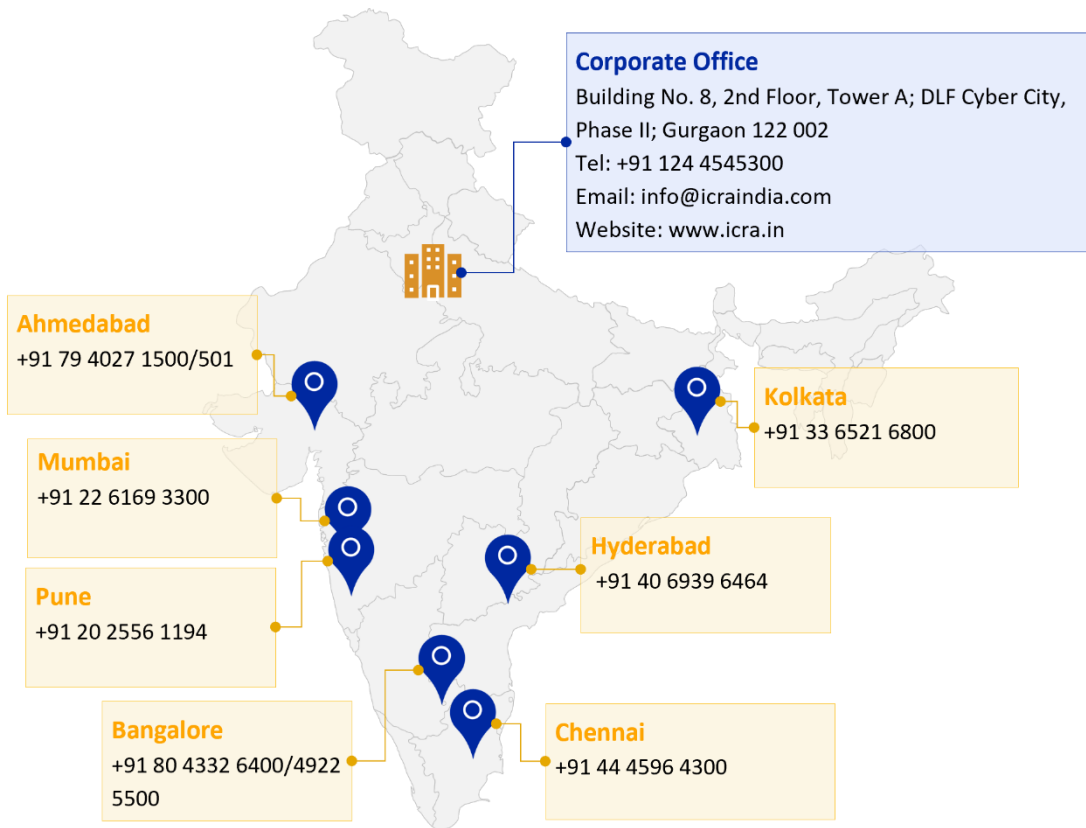
### Registered Office

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

Tel: +91 11 23357940-45



### Branches



© Copyright, 2026 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](http://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.