

March 05, 2026

## Lulu Tech Park Private Limited: Rating upgraded to [ICRA]A+ (Stable)

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	214.40	214.40	[ICRA]A+ (Stable); upgraded from [ICRA]A (Stable)
<b>Total</b>	<b>214.40</b>	<b>214.40</b>	

\*Instrument details are provided in Annexure-I

### Rationale

Lulu Tech Park Private Limited (LTPPL) and Lulu Cyber Park Private Limited (LCPPL), wholly-owned subsidiaries of Emmay Ventures (India) Pvt. Ltd (promoted by Mr. Yusuff Ali), are together referred as pooled assets. The loans of the pooled assets have common lender, cross collateralisation and cross default clauses. The pooled assets have an operational portfolio of ~13 lakh square feet (Isf) in Kochi, Kerala.

The rating upgrade factors in the improved occupancy of the pooled assets to 99.7% as of January 2026 against ~94% as of January 2025, along with continued strong debt protection metrics of the pooled asset as well as that of LTPPL. The company owns and operates a commercial office space, Lulu Cyber Tower 2, in Kakkanad, Kochi, with a total leasable area of 9.2 Isf. The office space continues to be fully occupied as of December 2025. The company plans to undertake a debt-funded capex of ~Rs. 320 crore to construct a new non-SEZ building with a total leasable area of ~6 Isf during FY2027-2030. Despite additional indebtedness, the leverage, as measured by total external debt/ annualised net operating income (NOI) for LTPPL and pooled assets, is expected to remain less than 4.0 times in the medium term. Consequently, the debt coverage metrics are likely to remain robust during the debt tenure. The rating considers favourable location of the asset, which enhances the marketability of the project, and the established track record of the Lulu Group (promoted by Mr. Yusuff Ali and Mr. Ashraf Ali) in developing and operating retail malls, office spaces, hypermarkets, etc, across India, West Asia, Africa and Southeast Asia. Considering the debt structure, ICRA expects that LCPPL (owns and operates a commercial office space named, Lulu Cyber Tower 1, in Kakkanad, Kochi with a total leasable area of 3.8 Isf) will support LTPPL in case of any funding requirements.

These strengths are offset by the exposure to execution and market risks for the upcoming area of 6 Isf. Nonetheless, ICRA draws comfort from the favourable location of the asset and the Group's established track record in developing and operating commercial office space. The company is exposed to high tenant concentration risk with top five tenants occupying 83% of the total leasable area and contributing to 80% of the rentals in FY2027. Nonetheless, the reputed tenant profile, along with long lease tenures and lock-in period of three-four years mitigate the risk to an extent. The rating considers the single asset nature of the special purpose vehicle (SPV) and the dependence on revenues from a single property, exposing it to asset concentration risk. The rating notes the vulnerability of its debt coverage metrics to factors such as changes in interest rates or material reduction in occupancy levels. Nonetheless, there is adequate cushion in the coverage metrics to withstand temporary headwinds in the interim.

The Stable outlook on the rating reflects ICRA's opinion that the company will benefit from the healthy occupancy levels in the existing building and favourable location of the asset, which is expected to result in adequate leasing of the upcoming building, while maintaining strong debt protection metrics.

### Key rating drivers and their description

#### Credit strengths

**Healthy occupancy and strong debt protection metrics** – The office space continues to be fully occupied as of December

2025. The company plans to undertake a debt-funded capex of ~Rs. 320 crore to construct a new non-SEZ building with a total leasable area of ~6 lsf during FY2027-2030. Despite additional indebtedness, the leverage, as measured by total external debt/annualised NOI for LTPPL and pooled assets, is expected to remain less than 4.0 times in the medium term. Consequently, the debt coverage metrics are likely to remain robust during the debt tenure.

**Favourable location of asset and reputed parentage with resourceful promoters** – LTPPL owns and operates a commercial office space named, Lulu Cyber Tower 2, in Kakkanad, Kochi, with a total leasable area of 9.2 lsf. LTPPL is a part of Infopark campus, Kochi. Infopark SEZ is an IT/ITeS specific special economic zone (SEZ) developed at the centre of the southern business district in Kakkanad and is well connected with the city's key areas, which enhances the marketability of the project. The rating considers the established track record of the Lulu Group (promoted by Mr. Yusuff Ali and Mr. Ashraf Ali), in developing and operating retail malls, office spaces, hypermarkets, etc, across India, West Asia, Africa and Southeast Asia.

### Credit challenges

**Exposure to execution and market risks for upcoming area** – The company is exposed to the execution and market risks for the upcoming area of 6 lsf. Nonetheless, ICRA draws comfort from the favourable location of the asset and established track record of the Group in developing and operating commercial office space.

**High tenant concentration risks and exposure to cyclicity in commercial real estate** – The company is exposed to high tenant concentration risk with top five tenants occupying 83% of the total leasable area and contributing to 80% of the rentals in FY2027. Nonetheless, the reputed tenant profile, along with long lease tenures and lock-in period of three-four years mitigate the risk to an extent. The rating factors in the single asset nature of the SPV and the dependence on revenues from a single property, exposing it to asset concentration risk. The debt coverage metrics are susceptible to factors such as sharp increase in interest rates or material reduction in occupancy levels. Nonetheless, there is adequate cushion in the coverage metrics to withstand temporary headwinds in the interim.

### Liquidity position: Adequate

The company's liquidity position is adequate with scheduled principal repayment obligations of ~Rs. 8 crore in FY2026 and ~Rs. 8.1 crore in FY2027, which can be comfortably serviced through its estimated cash flows from operations. Further, it plans to undertake a capex of ~Rs. 320 crore (expected to be funded through debt-to-equity ratio of 1:1) during FY2027-2030.

### Rating sensitivities

**Positive factors** – The rating can be upgraded if the company is able to sustain high occupancy for the operational area, healthy leasing of the upcoming area and material reduction in indebtedness resulting in improvement in the debt protection metrics on a sustained basis.

**Negative factors** – Pressure on the rating could arise in case there is any material decline in occupancy levels/rental rates or a significant increase in indebtedness resulting in weakening of debt protection metrics. Specific credit metric for a rating downgrade includes a total external debt/NOI of pooled assets greater than 4.5 times on a sustained basis.

## Analytical approach

Analytical approach	Comments
<b>Applicable rating methodologies</b>	<a href="#">Realty - Lease Rental Discounting (LRD)</a> <a href="#">Corporate Credit Rating Methodology</a>
<b>Parent/group Support</b>	Parent: Pool of LCPPL and LTPPL Both the entities are held by Emmay Ventures (India) Pvt. Ltd, have common lenders and the debt availed by them has presence of cross default clauses. Further, LCPPL and LTPPL have provided corporate guarantees to each other. The rating for LCPPL has been arrived at by following the analytical steps as given below: ? An assessment of the standalone credit profile of LCPPL ? An assessment of the credit profile of both the assets by considering the consolidated business and financial risk profile. ? The final rating for the bank facility of LCPPL is arrived at by suitably notching up the standalone rating after duly considering the debt structure and the linkages between the both the entities.
<b>Consolidation/standalone</b>	Standalone

## About the company

LTPPL, a wholly-owned subsidiary of Emmay Ventures (India) Pvt. Ltd, is promoted by Mr. Yusuff Ali. The company owns and operates an IT business park called Lulu Cyber Tower 2, in Infopark SEZ, Kochi, with a total leasable area of 9.2 Isf. The asset is fully occupied as of December 2025. The Group company, LCPPL, owned by Emmay Ventures (India) Pvt. Ltd., operates an IT business park named Lulu Cyber Tower 1, in Infopark SEZ, Kochi, with a total leasable area of 3.8 Isf.

## Key financial indicators (audited)

LTPPL (Standalone)	FY2024	FY2025
<b>Operating income</b>	18.9	45.7
<b>PAT</b>	-1.5	2.0
<b>OPBDITA/OI</b>	53.2%	59.2%
<b>PAT/OI</b>	-7.8%	4.4%
<b>Total outside liabilities/Tangible net worth (times)</b>	0.4	0.8
<b>Total debt/OPBDITA (times)</b>	9.1	5.5
<b>Interest coverage (times)</b>	1.1	2.2

Source: Company, ICRA Research; All ratios are as per ICRA's calculations; Amount in Rs. Crore.

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation

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

**Any other information: Not applicable**

### Rating history for past three years

Instrument	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Mar 05, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
<b>Fund-based – Term loans</b>	Long-term	214.40	[ICRA]A+ (Stable)	Mar 04, 2025	[ICRA]A (Stable)	-	-	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
Term loans	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 loans	FY2024	NA	FY2038	214.40	[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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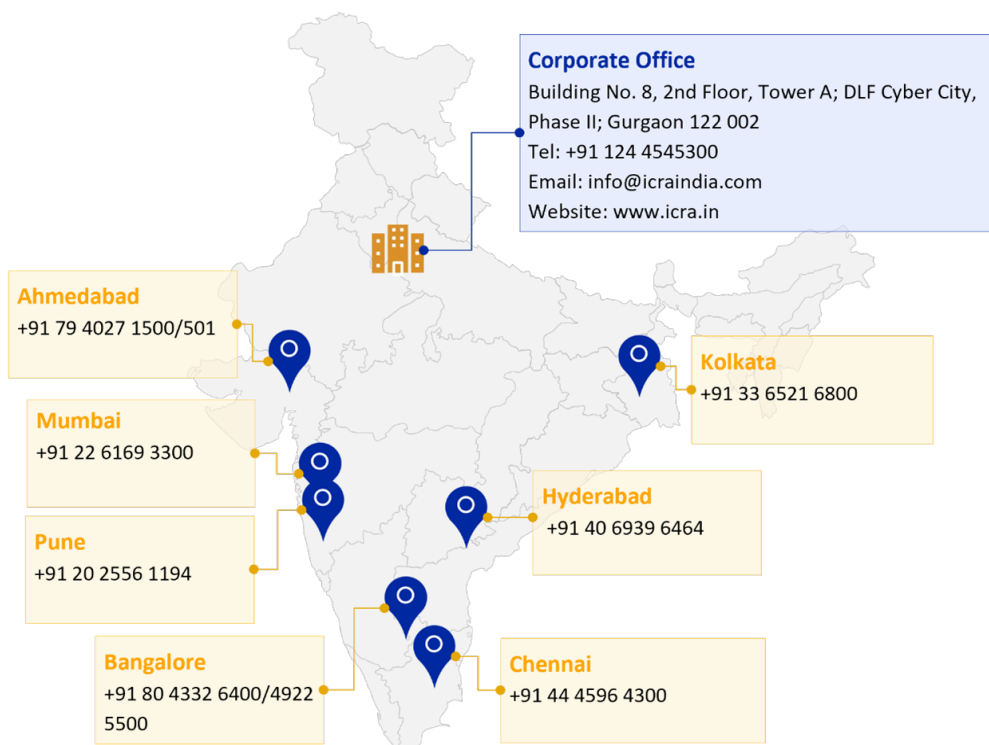


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