

March 09, 2026

Data Center Holdings India LLP: Rating assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term - Fund-based - Term loan	1,440.00	[ICRA]A-(Stable); Assigned
Total	1,440.00	

*Instrument details are provided in Annexure-I

Rationale

The assigned rating for Data Center Holdings India LLP (DCHI) factors in the strong promoter profile with a track record of developing and managing large infrastructure and data centre (DC) projects. DCHI is a 50:50 joint venture (JV) between the RMZ Group (through Millennia Realtors Private Limited (MRPL, rated at [ICRA]A+ (Stable))) and Colt Data Centre Services (Colt DCS) (through HDCI India Holdings LLC). The RMZ Group has a strong execution track record in the real estate space and is one of the leading players in the commercial real estate segment, with over 30 million square feet (msf) of development across major cities and healthy occupancy levels for its operational assets. On the other hand, Colt DCS is fully backed by Fidelity Investments and has over 25 years of experience in managing DCs. At present, it operates 16 carrier neutral DCs across Europe and Asia. The total operational and under-construction portfolio of Colt DCS stood at around ~850 MW across the globe.

DCHI's DC campus in Thane, Navi Mumbai, is spread across 15.4 acres with an expected capacity of 142 MW across three phases. At present, Phase-1 with a capacity of 22 MW is being developed, of which 4 MW is operational since July 2023. The project cost for Phase-1 stands at Rs. 2,016 crore, which is being funded through debt-to-equity ratio of 71:29. The entire debt requirement has been tied up and 100% of the equity has been infused as on September 30, 2025, leading to low funding risk. As of September 2025, 50% of the project cost has been incurred and the remaining cost majorly pertaining towards mechanical, engineering and plumbing (MEP) works for 18 MW, will be incurred based on tie-up of incremental leases. As per the sanctioned debt terms, debt draw down beyond Rs. 600 crore is linked to the incremental leasing in Phase-1. The rating considers the strong long-term demand prospects for DCs, backed by digital data explosion in India and favourable regulatory support.

The rating, however, is constrained by the exposure of the project to residual execution risk. The project remains exposed to market risks, given that 82% of the Phase-1 capacity is yet to be leased. Nevertheless, the company has a healthy leasing pipeline and is in discussions with various customers to lease out the remaining capacity. Further, the estimated capital cost is relatively higher compared to the benchmark cost due to higher land and site-wide cost and common infra costs. Consequently, the breakeven occupancy remains high for the project. Any delay in tying of leases at adequate rates would adversely impact the ability to refinance the construction debt in a timely manner and would remain the key monitorable. Nonetheless, comfort can be drawn from the sponsors' strong financial flexibility and commitment to infuse additional contribution to support any funding requirements. The company also faces stiff competition from large DC addition with the entry of new players in the segment and expansion plans of the existing players.

The Stable outlook on the long-term rating reflects ICRA's expectation that the company would be able to achieve adequate leasing progress before the bullet repayment benefitting from the healthy demand prospects for the sector and strong sponsor profile, who are likely to provide operational and financial support.

Key rating drivers and their description

Credit strengths

Strong sponsor profile and experience of Colt DCS in data centre segment – DCHI is a 50:50 JV between the RMZ Group (through MRPL) and Colt DCS (through HDCL India Holdings LLC). The RMZ Group has a strong execution track record in the real estate space. It is one of the leading players in the commercial real estate segment, with over 30 msf of development across major cities and healthy occupancy levels for its operational assets. On the other hand, Colt DCS is fully backed by Fidelity Investments and has over 25 years of experience in managing DCs. At present, it operates 16 carrier neutral DCs across Europe and Asia. The total operational and under-construction portfolio of Colt DCS stood at around ~850 MW across the globe.

Low funding risk for 22-MW capacity (Phase-1) with entire equity already infused and debt is tied up – DCHI's DC campus in Thane, Navi Mumbai is spread across 15.4 acres with an expected capacity of 142 MW across three phases. At present, Phase-1 with a capacity of 22 MW is being developed, of which 4 MW is operational since July 2023. The project cost for the same stands at Rs. 2,016 crore, which is being funded through debt-to-equity ratio of 71:29. The entire debt requirement has been tied up and 100% of the equity has been infused as on September 30, 2025 leading to low funding risk. As of September 2025, 50% of the project cost has been incurred and the remaining cost, primarily pertaining towards MEP works for 18 MW, will be incurred based on the tie-up of incremental leases.

Digitisation and favourable regulations support long-term prospects of DCs – Data localisation and data explosion are paving the way for DC revolution in India. Digitisation drivers like adoption of new technologies (Cloud, IoT, generative AI, Big Data and 5G rollout), increase in digital penetration (internet usage, mobile penetration), e-commerce, Government focus on digital infrastructure and favourable regulatory policies like Digital Data Protection Bill, infrastructure status to DCs, special incentives from the Central and state governments are expected to boost DC investments in the country and demand for the sector.

Credit challenges

Exposure to market risk for 22-MW capacity and refinancing risk in medium term – The first phase of DCHI is exposed to residual execution risk. The project faces market risks, given that 82% of the Phase-1 capacity is yet to be leased. However, the company has a healthy leasing pipeline and is in discussions with various customers to lease out the remaining capacity. Any delay in tying of leases at adequate rates would adversely impact the ability to refinance the construction debt in a timely manner and would remain the key monitorable. Nevertheless, comfort can be drawn from the sponsors' strong financial flexibility and commitment to infuse additional contribution to support any funding requirements.

High capital cost for 22-MW facility and breakeven occupancy – The estimated capital cost is relatively higher compared to the benchmark cost due to higher land and site-wide cost and common infra costs. Consequently, the breakeven occupancy remains high for the project. However, comfort can be drawn from the experience of Colt DCS in dealing with hyperscalers and tenants with large DC space requirements globally.

Competition from established players – The company faces stiff competition from large DC additions from established players. The competition is likely to further intensify with the entry of new players in the segment.

Liquidity position: Adequate

The company's liquidity position is expected to remain adequate. The project cost is estimated to be funded by debt-to-equity ratio of 71:29 and the debt funding has been fully tied up. Further, 100% of the budgeted equity (Rs. 1,006 crore) has already been infused till September 2025. The bullet repayment of the loan is due in November 2028. However, this is expected to be refinanced with long tenure LRD loan.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if there is a significant ramp up in leasing of the existing and upcoming capacities resulting in adequate debt protection metrics on a sustained basis.

Negative factors – Negative pressure on the rating could arise if there is a considerable delay in leasing of the operational capacity leading to subdued rentals and impacting the company’s ability to refinance the construction debt. Further, any large speculative capex, which could have a material impact on leverage or coverage metrics, will be a credit negative.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Realty - Lease Rental Discounting (LRD) Corporate Credit Rating Methodology
Parent/group Support	Not Applicable
Consolidation/standalone	Standalone

About the company

Data Centre Holdings India LLP is a 50:50 JV between the RMZ Group and Colt DCS. The entity was incorporated on March 12, 2018. It is involved in the business services sector focussing on DC operations and related services. Spread across 15.4 acres in Navi Mumbai, the company will support 142 MW of ultimate capacity. The project will be developed in multiple phases, of which Phase-1 comprises 22 MW.

Key financial indicators (audited)

Data Center Holdings India LLP (Standalone)	FY2024	FY2025
Operating income	1.6	16.4
PAT	-74.4	-53.1
OPBDITA/OI	-3262.4%	-135.3%
PAT/OI	-4584.0%	-324.7%
Total outside liabilities/tangible net worth (times)	0.1	0.1
Total debt/OPBDITA (times)	0.0	-0.1
Interest coverage (times)	-947.5	-243.8

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)	March 09, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based - Term loan	Long-term	1440.00	[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 / sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loans	FY2026	NA	FY2029	1,440.00	[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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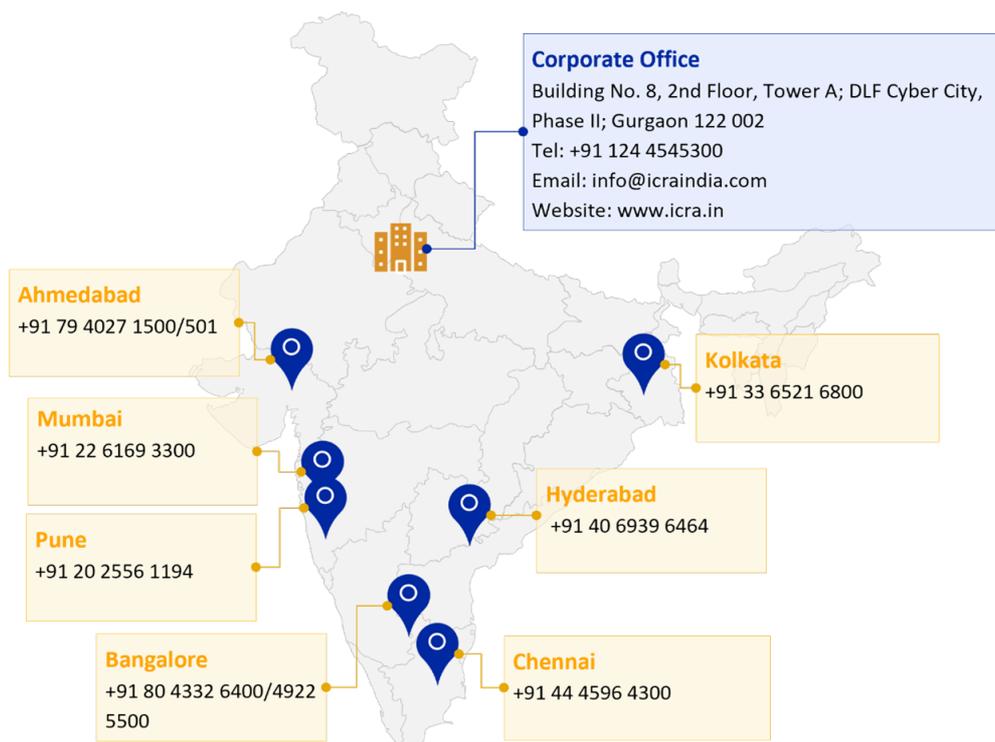


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