

March 24, 2026

## Provenance Land Private Limited: [ICRA]A- (Stable); assigned

### Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term - Fund-based - Term loan	1,694.40	[ICRA]A- (Stable); assigned
Long-term - Unallocated limits	255.60	[ICRA]A- (Stable); assigned
<b>Total</b>	<b>1,950.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

The rating assigned to Provenance Land Private Limited (PLPL) factors in the project's favourable location in Worli, a major office hub in Mumbai, boosting its marketability; steady operational cash flows from the hotel, low leverage for the commercial asset and strong sponsor profile, with 52% ownership held by the Government of Singapore Investment Corporation (GIC) through Reco Triangle Private Limited. The remaining 48% stake is held by the Raj Kumar Jatia (R.K. Jatia) Group. PLPL is developing a commercial Grade-A office project with a total leasable area of ~1 million square feet (msf) in Worli, Mumbai, and it is expected to become operational in FY2029. The budgeted cost of the commercial project is Rs. 1,892 crore, which is expected to be funded by debt:equity ratio of 65:35. The funding risk of the project is low as the debt has been tied up and 46% of the committed promoter contribution has been infused as of September 2025. The leverage for the commercial asset is expected to remain comfortable. Additionally, it operates a 211-key luxury hotel under the brand Four Seasons and has a completed branded residential project Four Seasons Private Residencies. The hotel is operational since 2008 and has healthy occupancy of 70% in 9M FY2026 with projected annual free cash flows (post debt servicing) of around Rs. 50 crore in FY2027. The debt coverage indicators for the hotel are expected to remain adequate with DSCR of 2.3 – 2.6 times in FY2027 and FY2028. Further, GIC has an established track record of over four decades and a strong investment portfolio in India. The reputed sponsor profile lends strong financial flexibility to the company.

The rating is, however, constrained by the project's exposure to moderate execution risk for commercial office projects with 41% of the budgeted project cost incurred as of September 2025. Also, the company is exposed to market risk for the office project as there are no pre-leasing tie-ups as on date. Nonetheless, the advantageous location of the project and strong track record of GIC in the Indian commercial office space mitigates these risks to an extent. The company is also exposed to refinancing risk for the hotel and office projects, which are expected to have bullet repayment in FY2030. Any delay in project completion or inadequate leasing may adversely impact its refinancing ability. However, the risk is mitigated by the sponsors' strong financial flexibility. While the hotel operations remain susceptible to the cyclicity in the hotel industry, Four Seasons' prestigious brand name and limited supply of luxury hospitality options in Worli and nearby micromarkets, are anticipated to support the average room revenue (ARR) and occupancy.

The Stable outlook reflects ICRA's expectations that the company will benefit from the favourable location of the project, which enhances its marketability, along with strong track record of the sponsor, leading to adequate leasing of the commercial project while maintaining healthy occupancy and ARR for the hotel operations.

## Key rating drivers and their description

### Credit strengths

**Favourable location of the asset enhances marketability of the project** – Worli is a major office hub in Mumbai. It enjoys excellent connectivity through its proximity to Bandra-Worli sea link, Coastal Road, Western Express Highway and the upcoming Worli-Sewri connector, which will improve connectivity to MTHL. On the hospitality side, limited supply of luxury hospitality options in Worli and nearby micromarkets is expected to support occupancy and ARR.

**Funding tie-up in place for under-construction office asset; surplus cash flows from hotel and residential projects act as additional buffer for commercial project** - The commercial project is expected to be operational in FY2029. The budgeted cost of the commercial project is Rs. 1,892 crore, which is expected to be funded by debt:equity ratio of 65:35. The funding risk of the project remains low as the debt has been tied up and 46% of the committed promoter contribution has been infused as of September 2025. The leverage for the commercial asset is expected to remain comfortable. The hotel is operational since 2008 and has healthy occupancy of 70% in 9M FY2026 with projected annual free cash flows (post debt servicing) of around Rs. 50 crore in FY2027. The surplus cash flows from the hotel and residential projects act as additional buffer for the commercial project. The debt coverage indicators for the hotel are expected to remain adequate with DSCR of 2.3 – 2.6 times in FY2027 and FY2028.

**Reputed sponsor profile lends strong financial flexibility** – PLPL's 52% ownership is held by GIC through Reco Triangle Private Limited. The remaining 48% stake is held by the R.K. Jatia Group. GIC has an established track record of over four decades and a strong investment portfolio in India, and the entity's credit profile benefits from GIC's majority ownership, which lends it strong financial flexibility. The R. K. Jatia Group currently has only Worli property, which is an operational hotel asset, a completed residential project and an under-construction office project in partnership with GIC.

### Credit challenges

**Exposure to moderate execution and high market risk for office project** – The company is exposed to moderate execution risk for commercial office project with 41% of the budgeted project cost incurred as of September 2025. Also, the company is exposed to high market risk for the office project as there are no pre-leasing tie-ups as on date. Nonetheless, the advantageous location of the project and strong track record of GIC in the Indian commercial real estate segment mitigates these risks to an extent. The rated debt instrument has also securitised nine unsold residential units, which will be self-liquidated/paid off from the sale of those units.

**Exposure to refinancing risk for term loans of office and hotel asset** – The company is also exposed to refinancing risk for the hotel and office project, which are expected to have bullet repayment in FY2030. Any delay in project completion or inadequate leasing may adversely impact its refinancing ability. However, the risk is mitigated by the sponsors' strong financial flexibility.

**Vulnerability of revenues to inherent industry cyclicity, economic cycles and competition** – Akin to other players in the industry, the hotel revenues will remain exposed to industry cyclicity and seasonality, macroeconomic downturns and exogenous factors (geopolitical tensions, disease outbreaks, etc.). Nonetheless, Four Season's prestigious brand name and operational expertise are expected to support ARR and occupancy at healthy levels.

### Liquidity position: Adequate

The company's liquidity position is Adequate with Rs. 12.1 crore of free cash and liquid investments. The pending capex for office asset is Rs. 1,113 crore, which is expected to be funded through Rs. 729 crore of sanctioned debt and the balance through equity/internal accruals and security deposits. Further, the hotel has pending renovation capex of around Rs. 107 crore, which is expected to be largely funded through undrawn debt. The hotel loan and office asset term loan has a bullet repayment falling due in FY2030, which is expected to be refinanced through a long tenure loan.

## Rating sensitivities

**Positive factors** – Healthy ramp-up in leasing of office area mitigating the refinancing risk could lead to an upgrade in the rating. Further, improvement in operational metrics of hotel asset would be a credit positive.

**Negative factors** – Downward pressure on the rating could emerge if there is a material delay in construction progress or inability to ramp-up leasing at adequate rental rates impacting the company’s ability to timely refinance the term loans. Further, material deterioration in operating metrics or significant increase in indebtedness resulting in weakening of debt protection metrics on a sustained basis or any material decline in the shareholding of GIC will be credit negative.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Realty - Commercial/Residential/Retail Hotels</a> <a href="#">Realty - Lease Rental Discounting (LRD)</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

## About the company

Provenance Land Private Limited owns 4.3 acres of land in Worli, Mumbai, which comprises an operational hotel of 211 keys under the brand Four Seasons, a completed ultra-luxury residential development under Four Seasons Private Residencies and an under-construction commercial office development with a leasable area of 1 msf. PLPL is a joint venture between GIC and the R.K. Jatia Group. As of November 2025, GIC holds a 52% stake in PLPL through Reco Triangle Private Limited while the balance 48% stake is held by the R.K. Jatia Group.

## Key financial indicators (audited)

PLPL (Standalone)	FY2024	FY2025
Operating income	414.7	317.2
PAT	1.2	-12.3
OPBDIT/OI	15.4%	20.1%
PAT/OI	0.3%	-3.9%
Total outside liabilities/Tangible net worth (times)	-3.3	-3.4
Total debt/OPBDIT (times)	22.3	23.0
Interest coverage (times)	1.1	1.0

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 rating (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs crore)	March 24, 2026	Date	Rating	Date	Rating	Date	Rating
<b>Fund-based-Term loan</b>	Long-term	1,694.40	[ICRA]A-(Stable)	-	-	-	-	-	-
<b>Unallocated limits</b>	Long-term	255.60	[ICRA]A-(Stable)	-	-	-	-	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
<b>Long-term - Fund-based - Term loan</b>	Simple
<b>Unallocated limits</b>	Not Applicable

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 <sup>^</sup>	NA	NA	NA	1,694.40	[ICRA]A- (Stable)
NA	Unallocated limits	NA	NA	NA	255.60	[ICRA]A- (Stable)

Source: Company; <sup>^</sup> Proposed

[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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