

March 27, 2026

Millennia Realtors Private Limited: Rating reaffirmed; outlook revised to Positive

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based/Term loans	749.0	680.00	[ICRA]A+ (Positive); reaffirmed and outlook revised to Positive from Stable
Non-convertible debentures (NCD)	210.0	460.0	[ICRA]A+ (Positive); reaffirmed and outlook revised to Positive from Stable
Proposed non-convertible debentures	250.0	0.00	-
Long-term – Unallocated limits	0.00	69.00	[ICRA]A+ (Positive); reaffirmed and outlook revised to Positive from Stable
Total	1209.0	1209.0	

*Instrument details are provided in Annexure I

Rationale

The revision in outlook to Positive from Stable for Millennia Realtors Private Limited (MRPL, ultimate holding company of the RMZ Group) factors in the expected increase in the operational profile of the investment portfolio to 70% (in terms of leasable area) in H1 FY2027 (55% as of March 2026) and the proposed equity raise of USD 500 million for funding the future growth capital, which is likely to mitigate the funding risk for MRPL's upcoming development portfolio. The rating notes the adequate risk profile of the investee companies with the operational commercial office leasing portfolio of around 10.7 million square feet (msf) (across six investee companies), which is almost fully leased as of March 2026. The rating positively considers the low funding risk of the under-construction office portfolio of around 8.7 msf (across six investee companies). Of this, 2.9 msf is likely to be operational over the next 3-6 months, and has adequate leasing pipeline, mitigating the market risk to an extent.

The rating draws comfort from the established track record and reputation of the RMZ Group in the commercial real estate sector. MRPL benefits from long-standing relationships with lenders and partnerships with marquee global investors including Canada Pension Plan Investment Board (CPPIB), Mitsui Fudosan Co. Ltd., and Colt Data Centre Services, which enhance its financial flexibility. The Group's existing investment portfolio is well funded with tie-ups from equity investors and provides headroom for additional debt raising or stake dilution to support future growth, which lends strong financial flexibility.

The rating is, however, constrained by the holding company nature of operations with limited cash flows on a standalone basis with an annual rental income of around Rs. 40-45 crore. Against these cash flows, it has lease rental discounting (LRD), corporate loans, and NCDs of Rs. 1,290 crore as of February 2026. Consequently, the company relies on asset monetisation, upstreaming of cash surpluses from subsidiaries, or group-level support to meet its repayment obligations. It is exposed to refinancing risk with corporate loans and NCDs being bullet in nature. However, the strong financial flexibility associated with RMZ Group is likely to mitigate the risk to an extent. Any significant delays in planned monetisation could expose MRPL to refinancing risk in the interim. The rating notes that the Group has sizeable projects with under-development office assets of around 8.7 msf and sizeable pipeline of projects across verticals (office, data centre and warehousing), which exposes it to moderate market and execution risks. Notwithstanding the RMZ Group's track record of leasing and favourable locations of the projects, timely lease tie-ups of upcoming assets, remains a key monitorable, given the scale of development and its linkages with construction finance (CF) debt refinancing. Further, the Group has recently diversified into the private chartering segment with the acquisition of two aircrafts—Bombardier Global 6,500 and Bombardier Global 7,500—of which one aircraft

is intended for captive use and the other for commercial chartering operations. In the near to medium term, the RMZ Group (MRPL or its associate/subsidiaries) will be providing funding support to the chartering operations, which will be a drag on the operating cash flows of the commercial real estate segment. The ramping-up of flying hours for commercial aircraft in the near term remains critical from the credit perspective.

Key rating drivers and their description

Credit strengths

Strong execution track record of the Group in commercial real estate – 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. It has developed over 30 msf of commercial real estate space across Bengaluru, Chennai, Hyderabad, Pune, Kolkata, and Gurgaon. The Group has a track record of timely completion of large-sized projects with high occupancy levels across its properties. As of March 2026, MRPL has an operational commercial office leasing portfolio of around 10.7 msf (across six investee companies) and under-construction office portfolio of around 8.7 msf (across six investee companies). The rating positively factors in the low funding risk of the under-construction office portfolio of around 8.7 msf (across six investee companies). Of this, 2.9 msf is likely to be operational over the next 3-6 months, and has adequate leasing pipeline, mitigating the market risk to an extent. Additionally, MRPL derives strong financial flexibility from its investment portfolio.

Equity funding in place for the ongoing projects – MRPL has tied up with equity investors such as CPPIB and Mitsui for majority of the ongoing office projects, resulting in low funding risk. Around Rs. 5,000 crore of equity was infused from CPPIB and Mitsui into the RMZ Group SPVs during FY2022-2024. Its investee companies' risk profile is adequate with 70% of the investment portfolio to become operational in H1 FY2027 (55% as of March 2026). Further, the under-construction projects have the entire equity requirement already infused, limiting funding risk.

Strong financial flexibility – MRPL benefits from long-standing relationships lenders and partnerships with marquee global investors including CPPIB, Mitsui Fudosan Co. Ltd., and Colt Data Centre Services, which enhance its financial flexibility. The Group's existing investment portfolio is well funded with tie-ups from equity investors and provides headroom for additional debt raising or stake dilution to support future growth.

Credit challenges

Limited cash flow on standalone basis – MRPL is a holding company with limited cash flows on a standalone basis with an annual rental income of around Rs. 40-45 crore. Against these cash flows, it has LRD, corporate loans, and NCDs of Rs. 1,290 crore as of February 2026. Consequently, the company depends on asset monetisation, upstreaming of cash surpluses from subsidiaries, or group-level support to meet its repayment obligations. It is exposed to refinancing risk with corporate loans and NCDs being bullet in nature. However, the strong financial flexibility associated with RMZ Group is likely to mitigate the risk to an extent. Any significant delays in planned monetisation could expose MRPL to refinancing risk in the interim.

Exposure to moderate market and execution risks – The Group has sizeable projects with under-development office assets of around 8.7 msf and sizeable pipeline of projects across verticals (office, data centre and warehousing), which exposes it to moderate market and execution risks. Notwithstanding the RMZ Group's track record of leasing and favourable locations of the projects, timely lease tie-ups of upcoming assets, remains a key monitorable, given the scale of development and its linkages with CF debt refinancing. Nonetheless, the Group intends to stagger the development in line with the market conditions and tie-up equity funding for the upcoming projects through investments from financial investors, as seen for its current ongoing projects.

Liquidity position: Adequate

MRPL's liquidity is expected to remain adequate, with cash flow from operations and management income received from its investee/group companies sufficient to meet all the debt servicing requirements at a standalone level. MRPL has strong financial flexibility arising from its investments in completed, ongoing and upcoming commercial real estate projects, which provides headroom to raise additional debt or stake dilution, if required, to fund any future investing requirements.

Rating sensitivities

Positive trigger – The rating could be upgraded if there is a material improvement in the risk profile of investee companies and equity infusion/unlocking of capital through monetisation of completed portfolio thereby providing long-term growth capital. Further, material improvement in the company's leverage metrics and liquidity profile will result in a rating upgrade.

Negative trigger – The outlook will be revised to Stable in case of inadequate leasing tie-up/execution progress in the under-development portfolio, which increases dependence on funding support from MRPL thereby putting pressure on its liquidity position. Further, the rating could be downgraded if there is a material increase in leverage at the holding company level for investments in investee companies.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Lease Rental Discounting (LRD) Investment Companies
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the rating, ICRA has considered the standalone financials of MRPL. Due to the presence of external investors and/or defined cash flow waterfall mechanism as a part of debt availed in the SPVs, a limited consolidation approach has been undertaken for the SPVs, under which the proposed equity investments for under-construction projects and funding support required by the operational SPVs (if any) towards debt servicing and operational shortfall have been considered.

About the company

MRPL is the ultimate holding company of the RMZ Group, which is one of the leading players in the commercial real estate segment. Since 1997, the Group's activities have been concentrated on the commercial real estate segment, primarily in Bengaluru. Other locations where the RMZ Group has completed projects include Hyderabad, Pune, Chennai and Gurgaon. On a standalone basis, MRPL derives rental income from its share of The Millenia, an office property in Bangalore. The RMZ Group has ventured into data centre and warehousing segments. Further, the Group has recently diversified into the private chartering segment with the acquisition of two aircrafts—Bombardier Global 6,500 and Bombardier Global 7,500—of which one aircraft is intended for captive use and the other for commercial chartering operations.

Key financial indicators (audited)

MRPL Standalone	FY2024	FY2025
Operating income	71.8	100.2
PAT	33.8	58.8
OPBDIT/OI	-51.6%	-23.8%
PAT/OI	47.1%	58.7%
Total outside liabilities/Tangible net worth (times)	0.5	0.6

MRPL Standalone	FY2024	FY2025
Total debt/OPBDIT (times)	-41.4	-70.4
Interest coverage (times)	1.7	3.3

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					
FY2026				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	March 27, 2026	Date	Rating	Date	Rating	Date	Rating
Term loans	Long term	680.0	[ICRA]A+ (Positive)	March 31, 2025	[ICRA]A+ (Stable)	March 28, 2024	[ICRA]A+ (Stable)	Apr 05, 2022	[ICRA]A (Stable)
				-	-	June 23, 2023	[ICRA]A+ (Stable)	-	-
NCD	Long term	460.0	[ICRA]A+ (Positive)	March 31, 2025	[ICRA]A+ (Stable)	March 28, 2024	[ICRA]A+ (Stable)	-	-
Proposed NCD	Long term	0.00	-	March 31, 2025	[ICRA]A+ (Stable)	-	-	-	-
Unallocated limits	Long term	69.00	[ICRA]A+ (Positive)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based/Term loan	Simple
NCD	Complex
Unallocated limits	NA

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
-	Term loans	June 2018	-	June 2033	680.0	[ICRA]A+ (Positive)
INE487H07021	NCD	April 19, 2024	9.9%	April 17, 2026	210.0	[ICRA]A+ (Positive)
INE487H07039	NCD	March 13, 2025	12.25%	February 28, 2028	250.0	[ICRA]A+ (Positive)
-	Unallocated limits				69.0	[ICRA]A+ (Positive)

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*	Consolidation Approach
RMZ One Paramount Private Limited	50%	Limited Consolidation
Mandana Property Developers Private Limited	51%	Limited Consolidation
Mahanga Commercial Properties Private Limited	49%	Limited Consolidation
Vismaya Infrastructure Pvt Ltd	100%	Limited Consolidation
Emine Realty Private Limited	27.6%	Limited Consolidation
RMZ Hotels Private Limited	50%	Limited Consolidation
RMZ City Estates Private Limited	49%	Limited Consolidation
Prahitha Construction Private Limited	50%	Limited Consolidation
RMZ Unified Service Private Limited	50%	Limited Consolidation
RMZ Construction India Pvt Ltd	50%	Limited Consolidation
One Boat Club Road Real Estate Private Limited	20%	Limited Consolidation
Koregaon Park High Street Properties Private limited	100%	Limited Consolidation
Data Centre Holdings India LLP	50%	Limited Consolidation
RMZ I&L Hoskote Pvt. Ltd	25%	Limited Consolidation
Arya Aerowings PTE Ltd.	100%	Limited Consolidation

Source: Company; ICRA Research; *directly held by MRPL/held by the common shareholders of MRPL as of December 2025

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