

May 11, 2026

## ILP 3 India 2 Private Limited: Rating reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term-Fund-based-Term loan	80.00	80.00	[ICRA]BBB+ (Stable); reaffirmed
<b>Total</b>	<b>80.00</b>	<b>80.00</b>	

\*Instrument details are provided in Annexure II

### Rationale

The rating reaffirmation for ILP 3 India 2 Private Limited factors in the favourable location of its asset along with the completion of the project with date of commencement of commercial operation (DCCO) achieved in March 2026. The company has developed an in-city industrial and logistics park at Govandi, Mumbai, with a total leasable area of 0.15 million square feet (msf), which are being leased in smaller units to different tenants. As of December 2025, 28% of the asset has been leased (nil as of December 2024), with the major portion of the rentals commencing in FY2027. ICRA notes that the company has a healthy leasing pipeline and is in advance discussions with various prospective tenants to lease the remaining area. The rating continues to factor in the project's favourable location, which is well connected to various parts of Mumbai via major roads like Eastern Express Highway, Ghatkopar-Mankhurd Link Road, and Eastern Freeway, enhancing its marketability. The rating also draws comfort from the exceptional financial flexibility of the IndoSpace network (IndoSpace) and its track record of honouring sponsor undertakings to lenders and infusion of funds into various special purpose vehicles (SPV), whenever needed. The rating notes the strong business profile of the IndoSpace network with an established track record in the industrial, warehousing and logistics park business in India.

The rating is, however, constrained by the project's exposure to residual market risk as ~72% of the area is yet to be leased as of December 31, 2025. Based on the current leasing level, the leverage is high and the debt coverage metrics are moderate in FY2027. However, ICRA derives comfort from the demonstrated ability and track record of IndoSpace to lease and execute projects on time. Further, ICRA expects the sponsor to provide timely financial support to meet any funding shortfall in this company, given its substantial linkages and IndoSpace's reputation sensitivity to default. The company is exposed to high geographical and asset concentration risks inherent in single-project companies. The weighted average balance lease expiry period is ~5 years for the current leases compared to the weighted average debt maturity of around 9 years. Thus, any significant vacancy for a prolonged period or material change in interest rates will adversely impact the company's cash flows and debt coverage indicators. The vacancy risk, nevertheless, is mitigated to some extent by the large portfolio of the IndoSpace Group across geographies and its established relationship with reputed tenants.

The Stable outlook reflects ICRA's opinion that the company will benefit from its favourable in-city location and will be able to secure lease tie-ups at adequate rental rates.

### Key rating drivers and their description

#### Credit strengths

**Strong track record and business profile of sponsors** – ILP 3 India 2 Private Limited is a wholly-owned subsidiary of ILP III Ventures XII Pte. Ltd. (a part of IndoSpace). IndoSpace is sponsored by Realterm Global, Everstone Capital and GLP Global. Realterm Global has more than 20 years of experience in developing industrial and logistics parks across the world and at present manages assets worth over \$7 billion. It operates some of the largest and most modern facilities in North America and

other parts of the world. Everstone Capital is a prominent India-focused investment firm. The Everstone Group manages funds of over \$8 billion in private equity and real estate. GLP Global is an investment firm, with over \$80 billion assets under management (AUM) across multiple asset classes including real estate, private equity and infrastructure.

**Favourable project location** – The project is located at Govandi, with good connectivity to various parts of Mumbai via major roads like the Eastern Express Highway, Ghatkopar-Mankhurd Link Road and the Eastern Freeway, which enhances its marketability. The project is expected to cater to the growing demand of hyperlocal delivery within cities. The asset achieved leasing of around 28% of the total leasable area as of December 2025, with the project achieving DCCO in March 2026.

### Credit challenges

**Exposure to market risk; geographical and asset concentration risks** – The company is exposed to market risk as ~72% of the area remains to be leased as of December 2025. While the company is in advance discussions with the prospective tenants, its ability to achieve leasing on time and at adequate rental rates will be the key rating monitorable. The company is also exposed to high geographical and asset concentration risks inherent in single-project companies. However, ICRA derives comfort from IndoSpace's diverse portfolio of logistics and industrial parks, its demonstrated ability and track record of leasing and execution of projects on time.

**Moderate debt protection metrics** – The asset is at an early stage of stabilisation at present, with leasing at about 28%, resulting in subdued leverage and coverage metrics. However, debt protection indicators are expected to improve meaningfully in the near term with further leasing and commencement of rentals. Until the asset stabilises, the promoter is likely to provide timely operational and financial support, as required.

**Vulnerability to changes in occupancy and interest rates** – The weighted average balance lease expiry period is around five years for the current leases compared to the weighted average debt maturity of around nine years. Any significant vacancy for a prolonged period will adversely impact the company's cash flows and debt coverage indicators. The company remains exposed to any movements in interest rates, given the steady rental revenues.

### Liquidity position: Adequate

The liquidity position remains Adequate. As of March 31, 2026, the company had free cash and liquid investments of Rs. 6.0 crore. The construction is complete and some outstanding vendor payments will be made from the available liquidity. The principal debt repayment will start from H2 FY2027. The rentals are likely to commence in the near term and in the interim, funding shortfall, if any, will be funded by the promoter. The company will maintain liquidity for two months of operational expenses as well as debt servicing requirements on a sustained basis.

### Rating sensitivities

**Positive factors** – ICRA could upgrade the rating if the company achieves significant progress in leasing at adequate rental rates, along with comfortable debt protection metrics. Specific credit metric for a rating upgrade would be five-year DSCR of higher than 1.20 times on a sustained basis.

**Negative factors** – Delays in tying up balance leases at adequate rental rates or any significant increase in indebtedness impacting the debt protection metrics may warrant a rating downgrade.

## 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	Standalone

## About the company

ILP 3 India 2 Pvt. Ltd., a 100.00% subsidiary of ILP III Ventures XII Pte. Ltd., Singapore, is an SPV for setting up an in-city warehouse project called IndoSpace Chembur, at Govandi, Mumbai. The construction has been completed on a land parcel of 2.14 acres along Ghatkopar-Mankhurd Link Road, with a leasable area of 0.15 msf, comprising one block. This is the first in-city warehousing project for the IndoSpace Group and would be among the few in-city Grade A warehouses in Mumbai. The project is expected to cater to the growing demand for hyperlocal delivery within cities and the tenants are mainly expected to be e-commerce entities. The DCCO was achieved in March 2026, and 28% of the asset has been leased as of December 2025.

**Key financial indicators– NA, since the company has recently commenced operations**

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

**Any other information: None**

### Rating history for past three years

Current rating (FY2027)				Chronology of rating history for the past 3 years					
FY2027				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	May 11, 2026	Date	Rating	Date	Rating	Date	Rating
<b>Term loan</b>	Long term	80.00	[ICRA]BBB+ (Stable)	30-Apr-2025	[ICRA]BBB+ (Stable)	-	-	Jan 15, 2024	[ICRA]BBB+ (Stable)

**Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026**

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, Fis	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund based – 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 II: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan-I	Oct 2023	NA	Nov 2034	80.00	[ICRA]BBB+ (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

### Annexure III: List of entities considered for consolidated analysis-Not applicable

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## 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)

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