May 20, 2026

Mahindra Industrial Park Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Term loan	25.00	25.00	[ICRA]AA-(Stable); reaffirmed
Short-term – Fund-based	10.00	10.00	[ICRA]A1+; reaffirmed
Long-term/ Short-term – Unallocated	15.00	15.00	[ICRA]AA-(Stable)/ [ICRA]A1+; reaffirmed
Total	**50.00**	**50.00**	

**Instrument details are provided in Annexure II*

Rationale

The reaffirmation of ratings for Mahindra Industrial Park Private Limited (MIPPL) continues to factor in its strong operational, financial and managerial linkages with its parent, Mahindra Lifespace Developers Limited (MLDL). MLDL represents the Mahindra Group's interest in real estate development and remains strategically important to the parent (Mahindra & Mahindra Limited; rated [ICRA]AAA (Stable)/[ICRA]A1+), given its visibility and branding as a Mahindra venture. The Group has identified MLDL as one of its 'growth gems' and remains committed to support MLDL's growth aspirations and provide financial support, whenever required. MLDL's financial risk profile is healthy with leverage (total debt/CFO) of around 0.8 times as of March 2026 and strong debt coverage indicators.

The ratings factor in the expectation of high degree of support from MLDL to MIPPL. ICRA expects MLDL to provide funding support to MIPPL, given their close financial linkages, MIPPL's strategic importance for the parent (MLDL) and the parent's reputation sensitivity to default. At present, MIPPL is developing an industrial park at Jansali, near Ahmedabad. The ratings note the favourable location of the project with direct access to National Highway 47 (8A), along with proximity to industrial clients in Sanand area (58 km away). Further, the park is 77 km from Ahmedabad Airport, 60 km from Surendranagar station (Ahmedabad) and 280 km from Kandla Port, thereby offering good connectivity. International Financial Corporation (IFC) has made strategic investment in MIPPL to support the development of the project.

The ratings, however, are constrained by MIPPL's exposure to market risks with no sales booked in the industrial park till date. The company is yet to find suitable anchor tenants for the project. It is exposed to high geographical and asset concentration risks, which is inherent in single project companies.

The Stable outlook reflects ICRA's opinion that the company will benefit from the strong brand reputation, high degree of support from MLDL and financial flexibility from being a part of the Mahindra Group.

Key rating drivers and their description

Credit strengths

Established track record of parent and strategic partner – MIPPL is a wholly-owned subsidiary of MLDL, the real estate and infrastructure development business of the Mahindra Group. MLDL's development footprint spans ~30 msf of completed, ongoing and forthcoming residential projects across seven Indian cities, and over 5,000 acres of ongoing and forthcoming projects under development/management at its integrated developments/industrial parks across four locations. In FY2026, MLDL reported sale value of Rs. 3,405 crore and collections of Rs. 2,107 crore, marking a YoY growth of 21% and 15%, respectively.

Strong financial profile of the parent company – MLDL has reported healthy operating performance in FY2026, marked by robust growth in sales, steady collections and increased cash flow from operations (CFO). Adequate sales and collection results in a comfortable cash flow adequacy ratio of 72% for the Group's launched projects in the residential segment. MLDL has a healthy financial risk profile, with estimated leverage (total debt/CFO) of around 0.8 times as on March 31, 2026 and strong debt coverage indicators, along with an adequate liquidity position. The ratings factor in the expectation of high degree of support from MLDL to MIPPL, given the strategic importance, the common brand name and the management linkages with the special purpose vehicle (SPV).

Favourable project location – At present, MIPPL is developing an industrial park. Located about 70 km from Ahmedabad in western Gujarat, the industrial park will mainly consist of industries of various industrial clusters such as machine manufacturing, plastic moulding, textiles, packaging and light engineering ancillary industries. The site benefits from its good location, visible frontage and direct access to National Highway 47 (8A), along with proximity to industrial clients in Sanand area (58 km away). Further, the park is 77 km from Ahmedabad Airport, 60 km from Surendranagar station (Ahmedabad) and 280 km from Kandla Port, thereby offering good connectivity enhancing its marketability.

Credit challenges

Exposure to market risk – MIPPL is exposed to high market risk as no sales has been booked in the industrial park till date. At present, the company is under discussions with prospective clients, and leasing is expected to start in FY2027. However, the Group's track record in selling and leasing in various other industrial parks at various locations provides comfort. As on December 31, 2025, the company has incurred 44% of the total budgeted cost and 17% of the budgeted construction cost on the project. The demand-linked construction phasing offsets the dependence on sales and collections over the near term.

Geographical and asset concentration risks – This is a single project undertaken by MIPPL. Thus, the company is exposed to high geographical and asset concentration risks inherent in single project companies. However, ICRA draws comfort from the Group's diverse portfolio of over 5,000 acres of the ongoing and forthcoming projects under development/management at its integrated developments/industrial parks across four locations.

Liquidity position: Adequate

The company's liquidity profile is adequate, supported by timely fund infusion by the parent – MLDL. The parent remains committed to provide further funding support to MIPPL for meeting any shortfall in servicing it debt obligations. The pending project cost is expected to be met through receivables from the sale of industrial plots to the prospective tenants and through funding support from MLDL, if required. The company has a sanctioned overdraft facility of Rs. 10 crore, out of which Rs. 9.55 crore is availed as of December 2025.

Rating sensitivities

Positive factors – ICRA may upgrade the ratings if there is a significant ramp-up in sales at adequate rates and collections, along with an improvement in the credit profile of the parent (MLDL).
Negative factors – Significant cost overruns or considerable delays in sales affecting the cash flows from operations and debt coverage metrics could impact the ratings. Further, a deterioration in the credit profile of the parent MLDL or any weakening of the linkages with the parent (MLDL) would be a credit negative.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Lease Rental Discounting (LRD)
Parent/Group support	Parent/Group Company - Mahindra Lifespace Developers Limited (MLDL) ICRA expects the parent, MLDL, to provide timely financial support to MIPPL, for funding any shortfall, given their substantial financial linkages, MIPPL's strategic importance for the parent and parent's reputation sensitivity to default.
Consolidation/Standalone	Standalone

About the company

Mahindra Industrial Park Private Limited (MIPPL), a wholly-owned subsidiary of Mahindra Lifespace Developers Limited (MLDL), has acquired around 338 acres of contiguous land at Jansali, near Ahmedabad, for setting up an industrial park. The company has partnered with International Finance Corporation (IFC), which is a member of the World Bank Group, for the development of the project at Jansali. The project will be marketed under the brand 'Origins by Mahindra World City'.

Key financial indicators (audited) - Not applicable for a project stage company

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 20, 2026	Date	Rating	Date	Rating	Date	Rating
Unallocated limits	Long Term/ Short Term	15.00	[ICRA]AA-(Stable)/ [ICRA]A1+	-	-	Feb 28, 2025	[ICRA]AA-(Stable)/ [ICRA]A1+	Nov 24, 2023	[ICRA]AA-(Stable)/ [ICRA]A1+
Fund-based- Term loan	Long Term	25.00	[ICRA]AA-(Stable)	-	-	Feb 28, 2025	[ICRA]AA-(Stable)	Nov 24, 2023	[ICRA]AA-(Stable)
Fund-based- Cash credit	Short Term	10.00	[ICRA]A1+	-	-	Feb 28, 2025	[ICRA]A1+	Nov 24, 2023	[ICRA]A1+

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 February 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 – Term loan	Simple
Short-term – Fund-based	Simple
Long-term/ Short-term – Unallocated	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 II: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	**Long-term – Term loan**	Jan 2020	-	FY2029	25.0	[ICRA]AA-(Stable)
NA	**Short-term – Fund-based**	-	-	-	10.0	[ICRA]A1+
NA	**Long-term/ Short-term – Unallocated**	-	-	-	15.0	[ICRA]AA-(Stable)/ [ICRA]A1+

Source: Company

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.

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