

March 17, 2025

Emine Realty Private Limited: [ICRA]BBB+ (Stable) assigned

Summary of rating action

Instrument [^]	Current rated amount (Rs. crore)	Rating action
Long term - Fund based - Term loan	2,190.00	[ICRA]BBB+ (Stable); assigned
Total	2,190.00	

[^]Instrument details are provided in Annexure I

Rationale

The assigned rating for Emine Realty Private Limited (ERPL) factors in the strong promoter profile, wherein 72.4% stake is held by the Canada Pension Plan Investment Board (CPPIB) and 27.6% by the RMZ Group (through promoter entity – RMZ Nexus Project LLP), lending strong financial flexibility. The RMZ Group has a strong and established track record in the commercial real estate segment and is one of the leading players in the business with over 25 million square feet (msf) of development across major cities, with healthy occupancy levels for the operational assets. The rating derives comfort from the favourable location of the commercial office project, RMZ Nexus, in Jogeshwari East, Mumbai. The upcoming project is located at the intersection of the arterial roads of Mumbai, Western Express Highway (WEH) and Jogeshwari-Vikhroli Link Road (JVLR), providing easy access to major micro-markets like Powai, Andheri, and Vikhroli. Such factors enhance the project's marketability and are likely to translate into adequate pre-leasing by the scheduled completion date. The rating notes the low funding risk of the project with the construction finance (CF) debt tie-up and a significant part of the equity (>80%) already infused by the promoters as of December 2024.

The rating is, however, constrained by the company's exposure to execution risk as the project is in the nascent stage, with less than 10% of the construction cost incurred as of December 2024. Nevertheless, the risk is mitigated by the strong execution track record of the RMZ Group in the timely completion of large-size projects. There has been no pre-leasing as on date, which exposes the company to high market risk. The CF loan has a bullet repayment in FY2030. Any delay in project completion or inadequate leasing may adversely impact its refinancing ability. However, these risks are mitigated by the sponsors' leasing track record and strong financial flexibility.

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 leasing track record of the sponsor, leading to adequate leasing of the project.

Key rating drivers and their description

Credit strengths

Favourable location of the project – The project, RMZ Nexus, is located at the intersection of the arterial roads of Mumbai, WEH and JVLR, providing easy access to major micro-markets like Powai, Andheri, and Vikhroli. This enhances the marketability of the project and is likely to translate into adequate pre-leasing by scheduled completion date.

Strong promoter profile with established track record in commercial real estate business – The company has a strong promoter profile, wherein 72.4% stake is held by CPPIB and 27.6% by the RMZ Group (through promoter entity – RMZ Nexus Project LLP), lending strong financial flexibility. The RMZ Group has a strong and established track record in the commercial real estate segment and is one of the leading players in the business with over 25 msf of development across major cities, with healthy occupancy levels for the operational assets.

Low funding risk with majority of equity already infused and debt is tied up – The project has low funding risk with the CF debt tie-up and a significant part of the equity (>80%) already infused by the promoters as of December 2024.

Credit challenges

Execution risk, given the nascent stage of construction – The project involves the development of 3.76 msf of leasable office space in Jogeshwari East, Mumbai. The approvals required for the commencement of the construction are already in place, and construction is likely to be completed by March 2029. Given the nascent stage of the project with less than 10% of construction cost incurred as of December 2024, it is exposed to execution risk. Nevertheless, the risk is mitigated by the strong execution track record of the RMZ Group in the timely completion of large-size projects.

Exposure to market and refinancing risk – There has been no pre-leasing as on date, exposing the company to high market risk. The CF loan has a bullet repayment in FY2030. Any delay in project completion or inadequate leasing may adversely impact its refinancing ability. However, these risks are mitigated by the sponsors’ leasing track record and strong financial flexibility.

Liquidity position: Adequate

The company’s liquidity position is adequate, supported by an adequate undrawn construction finance loan of Rs. 2,190 crore as of February 2025. Further, more than 80% of the equity required has been infused into the project. The CF loan has a bullet repayment due in FY2030.

Rating sensitivities

Positive factors – Healthy construction and leasing progress mitigating the refinancing risk could lead to an upgrade in the rating.

Negative factors – Pressure on the rating could emerge if there is a material delay in construction progress or an inability to ramp up leasing at adequate rental rates, impacting the company’s ability to timely refinance the CF loan.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Lease Rental Discounting (LRD)
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Emine Realty Private Limited (ERPL) is a special purpose vehicle (SPV) established in April 2022 to undertake the development and leasing of the commercial project RMZ Nexus in Jogeshwari-East, Mumbai, located on JVLR. The project will have a total leasable area of 3.76 msf and will be developed in 2 phases: Phase 1 (with towers N10, N20, and N40) and Phase 2 (with towers N30, N50, and N60). Phase 1 of the project will have a total leasable area of 1.78 msf and Phase 2 will have a total leasable area of 1.98 msf. ERPL is a joint venture company between the RMZ Corp (through promoter entity - RMZ Nexus Project LLP, held by Raj Menda and Manoj Menda) and CPPIB (through CPPIB Private Holdings).

Key financial indicators

Not applicable as it is a project stage company

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years							
		Amount rated (Rs. crore)	Mar 17, 2025	FY2025		FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loan	Long term	2,190.00	[ICRA]BBB+ (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	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	FY2025	-	FY2030	2,190.00	[ICRA]BBB+ (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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