

December 11, 2025

## IndoSpace AS Industrial Park Private Limited: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Non-convertible debenture (NCD)	197.87	197.87	[ICRA]AAA (Stable); Reaffirmed
Long-term – Fund-based – Term loans	222.00	222.00	[ICRA]AAA (Stable); Reaffirmed
<b>Total</b>	<b>419.87</b>	<b>419.87</b>	

\*Instrument details are provided in Annexure-I

Note: IndoSpace AS Industrial Park Private Limited is promoted by IndoSpace Logistics Parks Core Pte. Ltd. (IndoSpace Core). IndoSpace Core is a joint venture (JV) between Canada Pension Plan Investment Board (CPPIB; 93%), Everstone-backed real estate developer and warehousing and logistics specialist IndoSpace (2% stake), and global investment fund manager GLP (5% stake). A total of seven special purpose vehicles (SPVs<sup>1</sup>) with an overall leasable area of 8.5 msf are expected to be added to the IndoSpace Core platform by the end of December 2025. Following the transfer, IndoSpace Core will consist of 23 completed and under-construction industrial and logistic parks (housed under 29 SPVs) with a leasable area of 22.3 million square feet (msf), spread across the National Capital Region (NCR), Pune, Chennai, Bengaluru, Mumbai, and Hyderabad. The current portfolio of IndoSpace Core comprises 22 SPVs with a combined leasable area of 13.8 msf as of September 2025.

### Rationale

The rating is based on the consolidated view of the restricted group of 29 special purpose vehicles (SPVs), together referred to as IndoSpace Core. The debt structure for the rated instruments is expected to include a contractual surplus-sharing mechanism among the 29 SPVs of the restricted group, with a well-defined pre-default invocation mechanism. The surplus cash available with any restricted-group issuer, after meeting its operations and maintenance (O&M) costs and debt obligations, will be made available to other restricted-group issuers to meet any shortfall, at least two business days prior to the due date. The escrow accounts of the restricted group will be monitored by the security trustee, and in case the IndoSpace issuers having surplus cash in their respective accounts fail to transfer such monies as specified above, the security trustee shall instruct the Escrow Bank (without the requirement of any prior notice to any member of the restricted group) to release amounts equivalent to the insufficiency from the accounts of other IndoSpace issuers having surplus cash, and deposit them into the designated collection account of such IndoSpace issuer, at least one business day prior to the due date. Further, a cross-default clause and cross-collateralisation<sup>2</sup> will exist across the debt instruments of the 29 SPVs, which will be part of IndoSpace Core.

The rating reaffirmation factors in the proven track record of IndoSpace in the industrial and logistics parks segment; IndoSpace Core's robust business profile, supported by its strategically diversified portfolio of completed and under-construction Grade-A industrial and logistics parks, healthy occupancy levels and diversified tenant mix for the pooled assets. The committed occupancy for the consolidated portfolio stood healthy at 86% as of September 2025 (including the seven new SPVs to be transferred) and the tenant profile remains diversified, with the top 10 tenants accounting for 41% of the gross rentals as of

<sup>1</sup> Antariksh Warehousing and Logistics Parks Private Limited, Deerfield Logistics Private Limited, Ikshita Logistics Park Private Limited, IndoSpace Industrial Park Badli Private Limited, Indran Logistics Park Private Limited, Rohan Landscape Private Limited and Unnati Logistics Park Private Limited

<sup>2</sup> Security (except pledge of shares held by Sponsor Group in the 29 SPVs and mortgage of immovable properties belonging to the 29 SPVs) to be cross-collateralized across all entities within the Restricted Group

September 2025. The occupancy and rentals have largely remained resilient, supported by healthy demand from the e-commerce, manufacturing and third-party logistics (3PL) segments.

The rating further draws comfort from the comfortable financial risk profile of IndoSpace Core, supported by its strong liquidity and comfortable leverage. Despite an increase in debt levels due to the acquisition of seven SPVs, leverage remains comfortable with a loan-to-value (LTV) of around 33-34% after the acquisition of new assets (as against an LTV of 25% as of September 2024). ICRA expects the LTV to remain below 35% in the near to medium term. Further, total debt (after providing some equity credit to the CCDs) / annualised NOI is expected to remain below 5.5 times in the medium term. The rating is supported by the presence of strong sponsors, Canada Pension Plan Investment Board (CPPIB) and GLP Global, which, along with comfortable leverage, provide exceptional financial flexibility.

The strengths are partially offset by the portfolio's exposure to risks related to variation in interest rates and the vulnerability of the portfolio to lease-expiry and market risks. The majority of the consolidated debt has a bullet repayment at the end of the maturity period, exposing the restricted-group SPVs to refinancing risk. The refinancing risk is mitigated to an extent by the exceptional financial flexibility of the IndoSpace Core fund. Further, the assets face vacancy risk, with around 20-25% of the total area, on a consolidated basis, due for renewal in the next 1-1.5 years. Nonetheless, IndoSpace's established relationship with reputed tenants and its demonstrated track record of renewal/addition of leases offer comfort.

Going forward, the leverage of the Core platform would be a function of the funding pattern for future acquisitions and would remain a key rating monitorable. If the Core platform acquires any other asset or raises any additional debt in the future, ICRA will, at that juncture, evaluate the impact of the same on the ratings. However, ICRA draws comfort from management's strategy that new acquisitions would be funded such that overall leverage remains comfortably below 35% over the medium term.

The Stable outlook on the [ICRA]AAA rating reflects ICRA's opinion that IndoSpace Core will benefit from the well-diversified portfolio and healthy occupancy levels, which will allow it to maintain comfortable debt-protection metrics. ICRA expects the restricted-group issuers to adhere to the debt structure, thereby enabling the cash-pooling and pre-default contractual surplus-sharing mechanism, should the need arise.

## Key rating drivers and their description

### Credit strengths

**Well-diversified portfolio with reputed tenant profile; established track record of sponsors** – After the transfer of assets, the consolidated asset portfolio of IndoSpace Core will include 23 completed and under construction industrial and logistic parks (housed under 29 SPVs) with an overall leasable area of 22.3 msf, increased from 13.8 msf as on date. ICRA notes that the under-construction portfolio is expected to be less than 5% of overall leasable area. Also, the completed area has healthy committed occupancy of 86% as of September 2025. The pooled assets are spread across six key markets of India, which are NCR, Pune, Chennai, Bengaluru, Mumbai and Hyderabad, with each market accounting for less than 30% of the total area. The assets have a diversified as well as reputed tenant mix with top 10 tenants contributing to 41% of the gross rentals as of September 2025.

The IndoSpace network is one of India's leading developers of industrial and warehousing parks. It develops industrial and logistics parks for leading players across various sectors including automobiles, e-commerce, FMCG, third-party logistics and manufacturing, among others. At present, the network has 50+ Grade A parks spread across the country. Overall, the network has an established track record of operating industrial and logistics parks in India, and its status as the investment manager for IndoSpace Core supports the business risk profile of the consolidated asset. The strong financial profile of the sponsors, CPPIB and GLP Global, provides exceptional financial flexibility to the consolidated assets.

**Comfortable financial risk profile, despite increase in leverage** – The consolidated assets reported an 11% growth in net operating income (NOI) in FY2025 to Rs. 419.5 crore, and ICRA estimates the NOI to grow further by around 9-11% in FY2026 and 39-41% in FY2027, driven by new asset additions, expected rental increases as per scheduled escalations, and improvement in occupancy levels backed by a healthy leasing pipeline. ICRA notes that the IndoSpace Core platform is in the process of acquiring seven SPVs, which is likely to increase the LTV to around 33-34% after the acquisition of new assets from 25% as of September 2024. However, with scheduled repayments reducing overall debt levels and expected improvement in NOI, the LTV is projected to remain below 35% in the near to medium term, and total debt (after providing some equity credit to the CCDs) / annualised NOI is expected to remain below 5.5 times in the medium term.

**Credit profile supported by surplus sharing arrangement within restricted group:** The debt structure for the rated instruments derives comfort from the expected contractual surplus-sharing mechanism among the 29 SPVs of the restricted group, with a well-defined pre-default invocation mechanism. Additionally, the cash-flow fungibility across the assets, due to the cross-collateralised structure, strengthens the financial risk profile.

### Credit challenges

**Exposed to refinancing risk** – On a consolidated basis, the IndoSpace Core platform is expected to have the majority of its debt with a door-to-door tenure of five years, wherein 80% of the debt is to be paid as a bullet repayment at the end of the debt tenor. This debt structure exposes the SPVs to refinancing risk. However, the risk is likely to be mitigated to an extent by the exceptional financial flexibility of the IndoSpace Core fund.

**Cash flows susceptible to lease expiry risks and interest rate risk** – At a consolidated level, around 20-25% of the total area is due for renewal in the next 1.5 years. Nonetheless, IndoSpace’s established relationship with reputed tenants and its demonstrated track record of renewal/addition of leases offer comfort. The SPVs remain exposed to interest-rate risk on the debt availed for each of their respective assets. However, ICRA notes that the projected debt-coverage metrics are expected to remain comfortable.

### Liquidity position: Strong

At a consolidated level, the estimated cash flow from operations will remain comfortable to meet the principal repayments of Rs. 75.3 crore in FY2026 and Rs. 205.0 crore in FY2027. As on November 02, 2025, the consolidated assets had a free cash and bank balance of Rs. 386.2 crore.

### Rating sensitivities

**Positive factors** – Not Applicable

**Negative factors** – Higher-than-anticipated borrowing that increases the LTV beyond 40% on a sustained basis, or a decline in committed occupancy to below 80% on a sustained basis, may trigger a rating downgrade. Any non-adherence to the debt structure may also lead to 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	For arriving at the rating, ICRA has taken a consolidated view of the 29 SPVs, which will be a part of the restricted group (as mentioned in Annexure II). All the 29 SPVs of the restricted group will have common lenders and the debt availed by them will have a cash flow pooling mechanism, well-defined pre-default contractual surplus arrangement with presence of cross default clauses.

## About the company

Incorporated in 2010, IndoSpace AS Industrial Park Private Limited is a wholly owned step-down subsidiary of IndoSpace Logistics Parks Core Pte. Ltd. The company operates logistics and Industrial parks named Chakan-II (with total leasable area of 9.8 lakh sq. ft., and committed occupancy of 97% as on September 30, 2025, located in Chakan, Pune), Polivakkam (with total leasable area of 9.9 lakh sq. ft., and committed occupancy of 96% as on September 30, 2025, located in Chennai), Pudevoyal (with total leasable area of 3.0 lakh sq. ft., and committed occupancy of 100% as on September 30, 2025 located in Chennai) and Vallam (with total leasable area of 8.8 lakh sq. ft., and committed occupancy of 100% as on September 30, 2025, located in Chennai).

IndoSpace Logistics Parks Core Pte. Ltd. (IndoSpace Core) is a JV between Everstone-backed real estate developer and warehousing and logistics specialist IndoSpace (2% stake), CPPIB (93% stake), and global investment fund manager GLP (5% stake). The proposed asset portfolio of IndoSpace Core will have 23 completed industrial and logistics parks (housed under 29 SPVs) with a leasable area of 22.3 msf. The completed area enjoys healthy committed occupancy of 86% as on September 30, 2025. The consolidated assets are spread across key markets of India - NCR, Pune, Chennai, Bengaluru, Mumbai, and Hyderabad.

## Key financial indicators

Consolidated – IndoSpace Core*	FY2024	FY2025
Operating income	473.3	499.0
PAT	101.8	107.9
OPBDIT/OI	76.1%	75.6%
PAT/OI	21.5%	21.6%
Total outside liabilities/Tangible net worth (times)	1.5	4.3
Total debt/OPBDIT (times)	3.2	4.3
Interest coverage (times)	3.0	2.5

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; \*As of March 2025, the IndoSpace Core platform had 22 assets

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

**Any other information:** For the entire NCDs and bank loans availed by IndoSpace Core, the company faces the risk of debt acceleration due to put option (put option at the end of 25th month from the date of first disbursement with 30-days' notice). Upon exercising the put option, if the company is unable to arrange for alternative funding to pay off the accelerated loans, the rating would face pressure.

### Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	FY2026			FY2025		FY2024		FY2023	
	Type	Amount Rated (Rs Crore)	Dec 11, 2025	Date	Rating	Date	Rating	Date	Rating
<b>Fund based – Term Loans</b>	Long Term	222.00	[ICRA]AAA (Stable)	Feb 28, 2025	[ICRA]AAA (Stable)	-	-	-	-
<b>Non-convertible debenture</b>	Long Term	197.87	[ICRA]AAA (Stable)	Feb 28, 2025	[ICRA]AAA (Stable)	Oct 30, 2023	Provisional [ICRA]AAA (Stable)	-	-
		-	-	-	-	Feb 06, 2024	[ICRA]AAA (Stable)	-	-
<b>Fund based – Term Loans</b>	Long Term	-	-	-	-	Oct 30, 2023	[ICRA]AAA (Stable); Withdrawn	Dec 07, 2022	[ICRA]AAA (Stable)

### Complexity level of the rated instruments

Instrument	Complexity Indicator
<b>Non-convertible debenture</b>	Simple
<b>Long-term – Fund-based – Term loans</b>	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
INE946W07017	NCD	November 10, 2023	Repo + Spread	September 28, 2028	197.87	[ICRA]AAA (Stable)
NA	Term loans	May 2024	NA	June 2035	222.00	[ICRA]AAA (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**

Company Name	Ownership*	Consolidation Approach
Indospace Bommasandra Logistics Park Private Limited	100.0%	Full Consolidation
Destination Industrial Parks Private Limited	100.0%	Full Consolidation
IndoSpace Park Chakan 1A Private Limited	100.0%	Full Consolidation
IndoSpace Park Chakan 1C Private Limited	100.0%	Full Consolidation
IndoSpace Park Chakan 1D Pvt Ltd	100.0%	Full Consolidation
IndoSpace Park Chakan 1B Private Limited	100.0%	Full Consolidation
Indospace Park Chakan 1 Phase 2B Private Limited	100.0%	Full Consolidation
Indospace Park Chakan 1 Phase 2A Private limited	100.0%	Full Consolidation
Ambition Logistics Park Private Limited	100.0%	Full Consolidation
IndoSpace Industrial Park Pune Private Limited	100.0%	Full Consolidation
Suyog Logistics Park Private Limited	100.0%	Full Consolidation
IndoSpace FWS Industrial Park Private Limited	100.0%	Full Consolidation
HCY Warehousing Private Limited	100.0%	Full Consolidation
HCY Industrial Parks Private Limited	100.0%	Full Consolidation
IndoSpace SKCL Industrial Park Oragadam Private Limited	100.0%	Full Consolidation
IndoSpace Industrial Parks Private Limited	100.0%	Full Consolidation
IndoSpace SKCL Industrial Park Private Limited	100.0%	Full Consolidation
IndoSpace AS Industrial Park Private Limited	100.0%	Full Consolidation
Indospace Ind. Park Oragadam Walajabad Private Limited	100.0%	Full Consolidation
Indospace Walajabad II Private Limited	100.0%	Full Consolidation
Indospace Park Shamshabad Private Limited	100.0%	Full Consolidation
Indospace Industrial Park Panruti Private Limited	100.0%	Full Consolidation
Indospace Industrial Park Badli Private Limited	100.0%	Full Consolidation
Indran Logistics Park Private Limited	100.0%	Full Consolidation
Ikshita Logistics Park Private Limited	100.0%	Full Consolidation
Deerfield Logistics Private Limited	100.0%	Full Consolidation
Antariksh Warehousing and Logistics Parks Private Limited	100.0%	Full Consolidation
Rohan Landscape Private Limited	100.0%	Full Consolidation
Unnati Logistics Park Private Limited	100.0%	Full Consolidation

\*% Ownership of IndoSpace Logistics Park Core Pte. Ltd. in terms of shareholding in respective entities including the assets getting transferred to the IndoSpace Core Platform in December 2025; ICRA Research

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