

June 30, 2026

Arliga Galleria (India) 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	246.00	246.00	[ICRA]BBB (Stable); reaffirmed
Total	246.00	246.00	

*Instrument details are provided in Annexure II

Rationale

The rating reaffirmation for Arliga Galleria (India) Private Limited (AGIPL) factors in the favourable location of the mall, resulting in sustained healthy occupancy with reputed tenant profile. The strong financial flexibility that the entity derives from being a part of the Brookfield Group is also considered for the rating action. AGIPL operates The Galleria Mall in Yelahanka, Bengaluru, with a total leasable area (AGIPL's share) of 3.15 lakh square feet (lsf). As of May 2026, the mall had healthy occupancy of 87% (91% as of March 2025), which is expected to sustain over the medium term. ICRA notes that AGIPL is refinancing its existing loan with a new loan, along with a top-up debt, having elongated tenure and low repayments in the initial years. This is expected to result in marginal improvement in debt coverage metrics in the near term. The rating considers the favourable location of the mall in Yelahanka, Bengaluru, with reputed tenants such as Inox-PVR, Lifestyle, Max Hypermarket, Reliance Trends, and Shoppers Stop among others, with top 5 tenants contributing to around 43% of the minimum guaranteed rentals (as of May 2026). The Brookfield Group is one of the largest global real estate investment managers. In India, Brookfield through its affiliates has an established track record of more than a decade with more than USD 13 billion of real estate assets under management (AUM) as of December 2025.

The rating, however, is constrained by the elevated leverage levels and modest debt coverage metrics during loan tenor. The company's external debt/annualised net operating income (NOI) is expected to remain high around 8.5-9.0 times by March 2027. Despite the top-up loan for capex, the company's debt coverage metrics are expected to improve in FY2027 and FY2028 due to elongated tenor of the new loan with lower repayments in initial years as well as reduced interest rates. However, the debt coverage metrics are expected to remain modest post the step-up of principal repayments starting from FY2029. The sponsor is expected to maintain adequate liquidity in the company and support the cash flow mismatches, if any, as demonstrated in the past. Over the last two years, AGIPL has received Rs. 65-70 crore from the Brookfield Group to support the timely debt servicing obligations and liquidity position. AGIPL is exposed to geographical and asset concentration risks, which are inherent in companies with single projects. In addition, its revenues are exposed to adverse macroeconomic and external conditions, which could impact the tenant's business risk profile. The debt coverage metrics remain exposed to volatility in interest rates or material decline in occupancy levels.

The Stable outlook reflects ICRA's opinion that AGIPL will benefit from the asset's favourable location, healthy occupancy level and strong financial flexibility stemming from being a part of the Brookfield Group.

Key rating drivers and their description

Credit strengths

Favourable location, healthy occupancy and reputed tenant profile – The Galleria Mall has a total leasable area (AGIPL's share) of 3.15 lsf and had healthy occupancy of 87% as of May 2026 (91% as of March 2025). The occupancy level is expected to sustain over the medium term, given the asset's favourable location. The mall is in Yelahanka, Bengaluru, which is a primary catchment area of the city with established residential development supporting the demand prospects. The mall houses

reputed tenants, including Inox-PVR, Lifestyle, Max Hypermarket, Reliance Trends, and Shoppers Stop among others, with top 5 tenants contributing to around 43% of the minimum guaranteed rentals (as of May 2026).

Strong sponsor group with established track record – The Brookfield Group is one of the largest real estate investment managers globally. It has an established track record in India, with over a decade of operating experience with a real estate AUM of more than USD 13 billion of real estate AUM as of December 2025. AGIPL enjoys strong financial flexibility derived from being a part of the Brookfield Group. Over the last two years, AGIPL has received Rs. 65-70 crore from the Brookfield Group to support timely debt servicing obligations and its liquidity position.

Credit challenges

High leverage and modest debt coverage metrics during loan tenor – The company has elevated leverage levels and modest debt coverage metrics during loan tenor. The company's external debt/annualised NOI is expected to remain high around 8.5-9.0 times by March 2027. Despite the top-up loan for capex, the company's debt coverage metrics are expected to improve in FY2027 and FY2028 due to elongated tenor of the new loan with lower repayments in the initial years and reduced interest rates. However, the debt coverage metrics are expected to remain modest post the step-up of principal repayments starting from FY2029. The sponsor is expected to maintain adequate liquidity in the company and support the cash flow mismatches, if any, as demonstrated in the past. Over the last two years, AGIPL has received Rs. 65-70 crore from the Brookfield Group to support the timely debt servicing obligations and liquidity position.

Exposed to geographical and asset concentration risks; vulnerability to external factors – AGIPL is exposed to geographical and asset concentration risks, which are inherent in companies with single projects. In addition, its revenues are exposed to adverse macroeconomic and external conditions, which could impact the tenant's business risk profile. The debt coverage metrics remain exposed to volatility in interest rates or material decline in occupancy levels.

Liquidity position: Adequate

AGIPL's liquidity position is adequate. As of March 2026, the company had free cash and bank balance of Rs. 22.3 crore besides debt service reserve account (DSRA) balance of Rs. 4.9 crore. The company is expected to refinance the existing debt by July 2026 with an elongated tenure. Post the refinancing, the company is expected to service the external debt obligations through cash flow from operations and free cash balances due to low repayments in the initial two years. Further, there is a track record of promoters supporting the entity through timely infusion, which is expected to continue.

Rating sensitivities

Positive factors – ICRA could upgrade AGIPL's rating if the company demonstrates significant growth in rental income or a healthy reduction in leverage, resulting in an improvement in coverage metrics and liquidity position on a sustained basis. Specific credit metrics that could lead to a rating upgrade include 5-year average DSCR greater than 1.2 times on a consistent basis.

Negative factors – Negative pressure on AGIPL's rating could arise if there is a material decline in occupancy levels or rent rates or significant increase in indebtedness resulting in weakening of debt coverage and leverage metrics and liquidity position on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Leasing
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

AGIPL owns a retail property, The Galleria Mall, with 3.15 lsf of leasable area at Yelahanka, Bengaluru. The mall opened in September 2018 and had a healthy occupancy of 87% as of May 2026. It has a reputed clientele, including brands like Inox-PVR, Lifestyle, Max Hypermarket, Reliance Trends and Shoppers Stop among others. At present, AGIPL is 100% held by BSREP III New York II (DIFC) Limited (ultimately held by the Brookfield Group), following the acquisition by the Brookfield Group from the RMZ Group in FY2021.

Key financial indicators (audited)

Standalone	FY2025	FY2026*
Operating income (OI)	56.9	56.5
PAT	-76.7	-91.8
OPBDITA/OI	39.0%	29.9%
PAT/OI	-135.0%	-162.5%
Total outside liabilities/Tangible net worth (times)	-1.6	-1.6
Total debt/OPBDIT (times)	37.0	54.9
Interest coverage (times)	0.2	0.2

Source: Company, ICRA Research; *Provisional numbers; 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

Instruments	Current (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Jun 30, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based - Term loan	Long-term	246.00	[ICRA]BBB (Stable)	Jul 07, 2025	[ICRA]BBB (Stable)	Jul 19, 2024	[ICRA]BBB (Stable)	Aug 04, 2023	[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:

Instrument	FSR
Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
Certificates of Deposit	RBI
Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
Inter Corporate Deposits/Loans extended by Corporates	MCA
Listed Security Receipts	SEBI
Unlisted Security Receipts	RBI
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 FSR as under:

Activity name	FSR
Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
Independent Credit Evaluation (ICE)	RBI
Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
Credit Rating of Borrowing programme	(@)
Issuer Ratings	(#)
Monitoring Agency	SEBI
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 FSR other than SEBI.

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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	FY2019	NA	FY2034	246.00	[ICRA]BBB (Stable)

Source: Company

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

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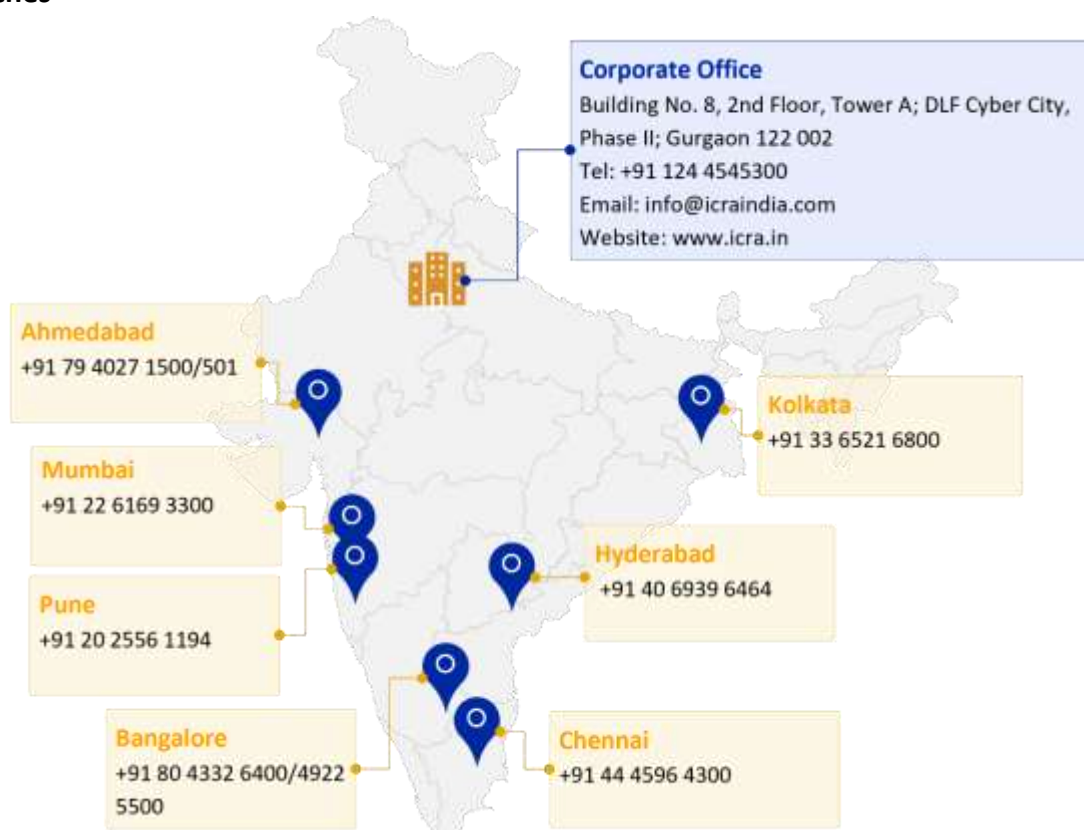
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