July 17, 2026

Deerfield Logistics Private Limited: Provisional rating finalised

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long-term – Fund-based – Term loans	195.00	0.00	[ICRA]BBB+; Rating Watch with Positive Implications; Withdrawn	RBI
Long-term – Fund-based – Term loans	265.00	236.62	[ICRA]AAA (Stable); Provisional rating finalised	RBI
Long-term – Non-fund based limits	0.60	0.60	[ICRA]AAA (Stable); Provisional rating finalised	RBI
Total	**460.60**	**237.22**		

**Instrument details are provided in Annexure I*

#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

Rationale

ICRA has finalised the provisional rating assigned to Deerfield Logistics Private Limited (DLPL) at [ICRA]AAA (Stable). The finalisation reflects the completion of all pending actions and documentation required for rating finalisation, including the transfer of DLPL to the IndoSpace Core[1] platform, refinancing of debt facilities, execution of the transaction documents, and closure of the existing term loans.

The assigned 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 derives comfort from the 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 their operations and maintenance (O&M) costs and debt obligations, will be made available to the other restricted group issuers for meeting shortfalls, if any, 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 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,

[1] 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). IndoSpace Core consists 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.

a cross default clause and cross collateralisation[2] exist across the debt instruments of 29 SPVs, which are part of IndoSpace Core.

The rating factors in the proven track record of IndoSpace in the industrial and logistics parks segment. The rating notes IndoSpace Core's robust business profile, supported by the strategically diversified portfolio of completed and under-construction Grade-A industrial and logistics parks, healthy occupancy levels, and a diversified tenant mix for the pooled assets. The committed occupancy for the consolidated portfolio stood healthy at 88% as of March 2026, and the tenant profile remains diversified, with the top 10 tenants accounting for 41% of the gross rentals as of September 2025. The occupancy and rentals have largely remained resilient, aided by healthy demand from e-commerce, manufacturing segments, and third-party logistics (3PL) segments.

The rating draws comfort from the comfortable financial risk profile of IndoSpace Core, supported by its strong liquidity and moderate leverage. Despite an increase in debt levels due to the acquisition of 7 SPVs, the leverage remains comfortable with a loan-to-asset value (LTV) of 27% as of March 2026. 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 5.5-6 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 variations in interest rates and vulnerability to lease expiry and market risks. A majority of the consolidated debt has a bullet repayment at the end of its 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 as of September 2025, on a consolidated basis, due for renewal over the next 1-1.5 years. Nonetheless, IndoSpace's established relationship with reputed tenants, and its demonstrated track record of renewing/adding leases offer comfort.

ICRA notes that the Core platform is in the process of acquiring three ROFO warehouse assets in the near term for which funding mix is yet to be decided. 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. However, ICRA draws comfort from the management's strategy that new acquisitions would be funded such that the overall leverage remains comfortably below 35% over the medium term.

ICRA has withdrawn the ratings assigned to the Rs. 195.00 crore bank facilities of DLPL based on the no dues certificate (NDC) received from its lenders, and in accordance with ICRA's policy on withdrawal of credit ratings.

The Stable outlook on the [ICRA]AAA rating reflects ICRA's opinion that IndoSpace Core will benefit from its well-diversified portfolio and healthy occupancy levels, which will aid in maintaining comfortable debt protection metrics. ICRA expects the restricted group issuers to adhere to the debt structure, thereby enabling cash pooling and the 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 –The consolidated asset portfolio of IndoSpace Core has 23 completed and under-construction industrial and logistic parks (housed under 29 SPVs) with an overall leasable area of 22.3 msf. ICRA notes that the under-construction portfolio is expected to be less than 5% of the overall leasable area. Also, the completed area has a healthy committed occupancy of 88% as of March 2026. The pooled assets are spread across six key markets of India (NCR, Pune, Chennai, Bengaluru, Mumbai and Hyderabad), with each market accounting

[2] *Security (except pledge of shares held by Sponsor Group in the 29 SPVs and mortgage of immovable properties belonging to the 29 SPVs) is cross collateralised across all entities within the Restricted Group*

for less than 30% of total area. The assets have a diversified as well as reputed tenant mix, with the 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. ICRA estimates the NOI to grow further by around 9-11% in FY2026 and 39-41% in FY2027, driven by new asset addition, expected hikes in rental rates as per scheduled escalations, and improvement in occupancy levels, backed by a healthy leasing pipeline. Despite an increase in debt levels due to the acquisition of 7 SPVs, the leverage remains comfortable with LTV of 27% as of March 2026. ICRA expects the LTV to remain below 35% in the near to medium term. Further, the total debt (after providing some equity credit to the CCDs)/annualised NOI is projected 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 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, lends strength to the financial risk profile.

Credit challenges

Exposed to refinancing risk – On a consolidated basis, the IndoSpace Core platform is expected to have a majority of its debt with a door-to-door tenure of five years, wherein 80% of the debt has to be paid as a bullet repayment at the end of the 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 as of September 2025, is due for renewal over the next 1-1.5 years. Nonetheless, IndoSpace's established relationship with reputed tenants, and its demonstrated track record of renewing/adding 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. 205.0 crore in FY2027. As on July 01, 2026, the consolidated assets had free cash and bank balances of Rs. 259.7 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 the committed occupancy 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	Corporate Credit Rating Methodology Realty - Leasing Policy on provisional ratings Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has taken a consolidated view of the 29 SPVs, which are part of the restricted group (as mentioned in Annexure II). All 29 SPVs of the restricted group have common lenders and the debt availed by them have cash flow pooling mechanism, well-defined pre-default contractual surplus arrangement with presence of cross default clauses.

About the company

Deerfield Logistics Private Limited is developing an industrial and logistics park on a land of around 64 acres at Jakasandra Industrial Area, Jakasandra village, Kasaba Hobli, Malur Taluka, Kolar district, Narsapura, Bengaluru. The project will have a total leasable area of 1.6 million square feet (msf) comprising multiple warehousing units. It is a step-down subsidiary of Indospace Logistics Parks Core Pte. Ltd.

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 asset portfolio of IndoSpace Core has 23 completed and under-construction industrial and logistic parks (housed under 29 SPVs) with a leasable area of 22.3 msf. The completed area enjoys healthy committed occupancy of 88% as on March 31, 2026. The consolidated assets are spread across the key markets of India – NCR, Pune, Chennai, Bengaluru, Mumbai and Hyderabad.

Key financial indicators (audited)

	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

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

	Current rating (FY2027)				Chronology of rating history for the past 3 years					
	FY2027				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs crore)	Jul 17, 2026		Date	Rating	Date	Rating	Date	Rating
Non-fund based limits	Long Term	0.60	[ICRA]AAA (Stable)		Dec 11, 2025	Provisional [ICRA]AAA (Stable)	-	-	-	-
Fund-based- Term loan	Long Term	195.00	[ICRA]BBB+ Rating Watch with Positive Implications; withdrawn		Oct 24, 2025	[ICRA]BBB+ Rating Watch with Positive Implications	Jul 31, 2024	[ICRA]BBB+ (Stable)	May 12, 2023	[ICRA]BBB+ (Stable)
					Dec 11, 2025	[ICRA]BBB+ Rating Watch with Positive Implications	-	-	-	-
Fund-based- Term loan	Long Term	236.62	[ICRA]AAA (Stable)		Dec 11, 2025	Provisional [ICRA]AAA (Stable)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term - Fund-based - Term loans	Simple
Long term - Non-Fund Based limits	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	Financial sector regulator#
NA	**Term loans**	Oct 2021	-	FY2035	195.00	[ICRA]BBB+; Rating Watch with Positive Implications and Withdrawn	RBI
NA	**Fund-based - Term loans**	FY2026	NA	FY2031	236.62	[ICRA]AAA(Stable)	RBI
NA	**Non-Fund Based limits**	NA	NA	NA	0.60	[ICRA]AAA(Stable)	RBI

Source: Company

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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*

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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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