July 29, 2026

ILP 3 India 10 Private Limited: [ICRA]BBB+ (Stable)/[ICRA]A2 assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action	Financial Sector Regulator#
Long term-Fund based-Term loan	125.50	[ICRA]BBB+ (Stable); assigned	RBI
Short term-Non fund based-Bank guarantee	1.00	[ICRA]A2; assigned	RBI
Total	**126.50**		

**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

The ratings assigned to ILP 3 India 10 Private Limited (I3I10PL/company) factors in the favourable sponsor profile with the established track record of IndoSpace in the industrial warehousing and logistics space in India, advantageous project location and low funding risk. The company is a special purpose vehicle (SPV) sponsored by the IndoSpace network and is developing a Grade A warehousing and logistics park in Nelamangala, Bengaluru, with a total leasable area of 0.73 million square feet (msf), spread across five warehouse units. The ratings draw comfort from the project's favourable location in the Nelamangala warehousing corridor and good connectivity to Bengaluru and other key industrial and logistics hubs, thus enhancing its marketability and adequate debt protection metrics estimated from the project. The total project cost is estimated to be at Rs. 241.3 crore, which is likely to be funded in a debt:equity mix of 52:48. The funding risk remains low as the entire debt requirement has been tied up and nearly 91% of the committed equity requirement had already been infused as on March 31, 2026. ICRA notes the exceptional financial flexibility of IndoSpace and its track record of honouring the sponsor's undertakings to lenders by supporting project-level SPVs, whenever required.

The ratings are, however, constrained by the project's exposure to execution and market risks. As on March 31, 2026, the project was at a mid-construction stage, with ~44% of the total project cost incurred. Nonetheless, the construction is expected to be completed in a phased manner (block-wise) within the scheduled DCCO of August 31, 2029. The company is vulnerable to market risk as leasing tie-ups remain limited, with the lease agreement executed for only ~8% of the total leasable area as of July 2026. Hence, its ability to achieve leasing for the balance area in a timely manner and at adequate rental rates will remain a key rating monitorable. Nevertheless, ICRA derives comfort from the demonstrated ability and track record of IndoSpace to execute and lease warehousing assets on time. The company is also susceptible to high geographical and asset concentration risks, which are inherent in a single project portfolio.

The Stable outlook reflects ICRA's opinion that the company will benefit from the extensive experience of its sponsor, IndoSpace, in the warehousing space, which is expected to enable it to complete the project without any material time and cost overruns as well as secure lease tie-ups at adequate rental rates.

Key rating drivers and their description

Credit strengths

Strong track record and business profile of sponsors – ILP 3 India 10 Private Limited is a wholly-owned subsidiary of ILP III Ventures XXV Pte Ltd (a part of the IndoSpace network). IndoSpace is sponsored by Realterm Global, Everstone Capital and GLP Global. Realterm Global has more than 20 years of experience in developing industrial and logistics parks across the world.

At present, it manages assets worth over USD 11 billion. It operates some of the largest and most modern facilities in North America and other parts of the world. Everstone Capital is a prominent India-focused investment firm, and the Everstone Group manages funds of over USD 7 billion in private equity and real estate. GLP Global is an investment firm, with over USD 100 billion assets under management (AUM) across multiple asset classes including real estate, private equity segments and infrastructure.

Favourable project location – The project is in Nelamangala, Bengaluru, along NH-48 (Tumkur Road). The Kempegowda International Airport, Nelamangala railway station, Mangalore Port and Chennai Port are located at distance of about 60 km, 11 km, 321 km and 397 km, respectively, from the project location. The project is situated in the Nelamangala warehousing corridor, an established logistics and industrial hub in Bengaluru with a diversified occupier base comprising automobile and auto-ancillary companies alongside service-oriented sectors such as third-party logistics (3PL) operators, electronics companies and other industrial users, thus enhancing its marketability.

Low funding risk and adequate debt protection metrics – The budgeted project cost of Rs. 241.3 crore is estimated to be funded in a debt-to-equity ratio of 52:48. The project's funding risk is low as the debt requirement has been tied up and nearly 91% of the committed equity requirement has already been infused as on March 31, 2026. ICRA derives comfort from the adequate leverage and debt service coverage metrics estimated from the project. The rated facility has an escrow mechanism in place and requires the maintenance of an ISRA equivalent to three months' interest obligations post achievement of DCCO. The term loan carries a bullet repayment due on May 8, 2031 (FY2032).

Credit challenges

Exposure to project execution risk – The project is in a mid-construction stage of execution, with Rs. 105.3 crore (~44% of the total project cost and ~18% of construction cost) of cost incurred as on March 31, 2026. It has a total leasable area of 0.73 msf spread over five blocks, with all blocks under construction as on date. Nevertheless, ICRA expects the construction to be completed in a phased manner (block-wise) within the scheduled DCCO of August 31, 2029, without any material time and cost overrun, given the extensive experience of the sponsor in the warehousing space.

Exposure to high market risk – The leasing activity remains limited with the company executing lease agreement for Block B200, having a leasable area of 57,558 square feet (sf), representing only ~8% of the total leasable area. Its ability to achieve leasing for the balance area in a timely manner and at adequate rental rates will remain critical from the credit perspective. However, the experience of its promoter to lease projects on time offers comfort.

Geographical and asset concentration risks – The company is exposed to high geographical and asset concentration risks inherent in single project companies. However, ICRA draws comfort from IndoSpace's diverse portfolio of logistics and industrial parks, including developed and under-development parks, across India.

Liquidity position: Adequate

The company's liquidity position is adequate with unencumbered cash balance of Rs. 7.5 crore as on March 31, 2026. These, along with the undrawn term loan facility of Rs. 125.5 crore, and the balance equity commitment (including any internal cash accruals) of Rs. 21.6 crore are expected to be adequate to fund the pending project cost of Rs. 136.0 crore as on March 31, 2026.

Rating sensitivities

Positive factors – The ratings could be upgraded in case of timely completion of the project without any major cost or time overruns. The ratings may be upgraded if the company achieves significant leasing progress at adequate rental rates leading to comfortable debt protection metrics.

Negative factors – Material cost overrun or unforeseen delay in completing the project could exert pressure on the company's ratings. Considerable delays in lease tie-ups at inadequate rental rates impacting its refinancing ability or any significant increase in indebtedness impacting the debt protection metrics may warrant a rating downgrade.

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

ILP 3 India 10 Pvt. Ltd. is developing a Grade A warehousing and logistics park on a land parcel admeasuring approximately 33.6 acres, with a total leasable area of around 0.73 msf. The project comprises five warehouse blocks, namely B100, B200, B300, B400 and B500. The project is strategically located in the Nelamangala logistics corridor along NH-48 (Tumkur Road), which is approximately 60 km from Kempegowda International Airport. The site also benefits from connectivity to Nelamangala railway station and key port infrastructure, including Mangalore Port (~321 km) and Chennai Port (~397 km), supporting its positioning as a regional logistics and distribution hub.

Key financial indicators (audited): Not Applicable being 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)	July 29, 2026	Date	Rating	Date	Rating	Date	Rating
Long-term – Fund based – Term loan	Long term	125.50	[ICRA]BBB+ (Stable)	-	-	-	-	-	-
Short-term – Non fund based – Bank guarantee	Short term	1.00	[ICRA]A2	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Term loan	Simple
Short-term – Non-fund based – Bank guarantee	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 loan**	FY2026	NA	FY2032	125.50	[ICRA]BBB+ (Stable)	RBI
NA	**Non-fund based – Bank guarantee**	NA	NA	NA	1.00	[ICRA]A2	RBI

Source: Company

#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.

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not applicable

ANALYST CONTACTS

Ashish Modani
+91 22 6169 3300
ashish.modani@icraindia.com

Anupama Reddy
+91 40 6939 6427
anupama.reddy@icraindia.com

Maitri Vira
+91 79 6923 3012
maitri.vira@icraindia.com

Aman Joshi
+91 22 6169 3330
aman.joshi2@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches