September 14, 2026

Madhurawada Holdings Private Limited: Rating assigned for proposed NCD programme and reaffirmed for existing instruments; rated amount enhanced

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 loan	450.00	450.00	[ICRA] BBB+ (Stable); reaffirmed	RBI
Non-Convertible Debentures (NCDs)^	-	450.00	[ICRA] BBB+ (Stable); assigned	MCA
Total	**450.00**	**900.00**		

**Instrument details are provided in Annexure I; ^Proposed*

#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 rating assigned to the bank facilities of Madhurawada Holdings Private Limited (MHPL) factors in the strong promoter profile of K Raheja Corp (KRC) Group, favourable location of the project and low funding risk. MHPL is held by the K Raheja Corp Real Estate Private Limited (KRCREPL), a part of KRC Group, which has an established presence in the real estate sector. The Group has an experience of over six decades in developing and operating assets across commercial, hospitality, retail, malls and residential segments. The presence of the reputed promoters lends strong financial flexibility to the company. MHPL is developing a commercial office project in Kharadi, Pune with a total leasable area of ~1.65 million square feet (msf, the company's share being ~1.14 msf) being developed in two phases. The date of commencement of commercial operations (DCCO) is in December 2028 for Phase 1, while the expected DCCO for Phase 2 is in December 2030. The rating derives comfort from the favourable location of the project as the micro-market has healthy office demand, which enhances the marketability and is likely to translate into adequate pre-leasing/leasing by the scheduled completion. The company proposes to raise approximately Rs. 450 crores of NCDs, of which part would be utilized for repayment of existing debt and remaining will be utilized for funding the pending costs for phase 1 of the project. The project is anticipated to report adequate debt protection metrics. The total project cost is estimated at ~Rs. 1,200 crore, which is likely to be funded in debt to equity mix of not more than 65:35. Further, the funding risk remains low for Phase 1 of the project with construction finance (CF) debt fully tied up and around 51% of the total equity already infused by the promoters as of July 2026.

The rating, however, is constrained by the project execution risk as the project is in the nascent stages, with only around 25% of the budgeted construction cost being incurred as of July 2026. Nevertheless, the risk is mitigated to an extent by the strong execution track record of the KRC Group in timely completion of large-size projects. There has been no pre-leasing as on date, which exposes the company to high market risks. Further, the CF loan has a bullet repayment due in December 2028. Any delay in project completion or inadequate leasing may adversely impact its refinancing ability. Nevertheless, these risks are mitigated by the significant cushion in scheduled DCCO, advantageous location of the project, the sponsors' healthy leasing track record and strong financial flexibility corroborated by the strong back up of KRC Group.

The Stable outlook reflects ICRA's expectations that the company will benefit from the favourable location, which enhances its marketability, along with strong leasing track record of the sponsor, leading to adequate leasing for the project.

Key rating drivers and their description

Credit strengths

Strong financial flexibility being part of KRC Group – MHPL is a special purpose vehicle (SPV) and a wholly-owned subsidiary of the KRC Group, which is one of India's leading real estate development and retail business groups with an experience of over six decades in developing and operating assets across commercial, hospitality, retail, malls and residential segments. The K Raheja Group has expanded across geographies including Pune, Ahmedabad, Bengaluru, Hyderabad, Chennai and Goa. The presence of reputed promoters lends strong financial flexibility to the company.

Favourable location of project – The company is developing a commercial office project in Kharadi, Pune. It has a leasable area of ~1.65 msf (the company's share being ~1.14 msf) being developed in two phases with DCCO in December 2028 for Phase 1 and expected DCCO of December 2030 for Phase 2. The rating derives comfort from the favourable location of the project as the micro-market has healthy office demand, which enhances the marketability and is likely to translate into adequate pre-leasing by the scheduled completion. The project is anticipated to report adequate debt protection metrics.

Low funding risk with debt tied up – The funding risk remains low for Phase 1 of the project with CF debt fully tied up and around 51% of the total equity already infused by the promoters as of July 2026.

Credit challenges

Exposed to execution risk – The project is exposed to high market and execution risks as it is in the nascent stages with only 25% of the budgeted construction cost being incurred as of July 2026. Nevertheless, the risk is mitigated to an extent by the strong execution track record of the KRC Group in timely completion of large-size projects.

Exposed to market and refinancing risk – There has been no pre-leasing in the property as on date, which exposes the company to high market risk. Further, it has availed CF debt to fund the construction for Phase 1 of the project, which has a bullet repayment due in December 2028. Any delay in project completion or inadequate leasing may adversely impact its refinancing ability. However, these risks are mitigated by the significant cushion in scheduled DCCO, favourable location of the project, the sponsors' leasing track record and strong financial flexibility corroborated by the strong back up of the KRC Group.

Vulnerability of sector to commercial real estate cyclicality – The company is exposed to risks arising from the cyclicality in the sector and vulnerability to exogenous shocks, which could impact the cash flows.

Liquidity position: Adequate

The company's liquidity position is adequate with an undrawn CF loan of Rs. 150 crores as of Aug 2026 for funding the pending cost of phase 1 of the project, while phase 2 of the project will be funded with a mix of debt and equity contribution. Further, the CF loan for Phase 1 of the project has a bullet repayment due in December 2028.

Rating sensitivities

Positive factors – Significant leasing at adequate rental rates mitigating the refinancing risk and resulting in adequate debt protection metrics 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 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 - Leasing
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Madhurawada Holdings Private Limited was incorporated on November 22, 2021. It is a single asset SPV and is wholly-owned by the K. Raheja Group. The company primarily develops commercial real estate projects. At present, it has one under construction project in Kharadi, Pune, which is being developed in two phases having a total leasable area of ~1.65 msf with the company's share being ~1.14 msf.

Key financial indicators (audited)

MHPL (Standalone)	FY2025	FY2026*
Operating income	-	-
PAT	-0.2	-0.7
OPBDIT/OI	-	-
PAT/OI	-	-
Total outside liabilities/Tangible net worth (times)	-1,686.0	-645.3
Total debt/OPBDIT (times)	-3,196.5	-820.8
Interest coverage (times)	-0.4	-0.5

*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; *Provisional numbers*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)					Chronology of rating history for the past 3 years					
	FY2027					FY2026		FY2025		FY2024	
	Type	Amount rated (Rs crore	Sept 14, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based-Term loan	Long Term	450.00	[ICRA]BBB+ (Stable)	Jul 31, 2026	[ICRA]BBB+ (Stable)	-	-	-	-	-	-
Non-convertible Debenture	Long Term	450.00	[ICRA]BBB+ (Stable)	-	-	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Non-Convertible Debentures (NCDs)	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**	Jan 2026	NA	Dec 2028	450.00	[ICRA] BBB+ (Stable)	RBI
-	**Non-Convertible Debentures^**	NA	NA	NA	450.00	[ICRA] BBB+ (Stable)	MCA

Source: Company; ^Proposed

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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 – Not applicable

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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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