

**ICRA/Aerogrid Advanced Hosting Solutions Private Limited/04062025/1**

**Date: June 04, 2025**

**Mr. Shravan Sharma**

Director

**Aerogrid Advanced Hosting Solutions Private Limited**

C-605, Sushila Baug, 53-A,

53-A, S.V. Road, Santacruz (West), Mumbai

Maharashtra, India, 400054

**Dear Sir,**

**Re: ICRA's Credit Rating for below mentioned instruments of Aerogrid Advanced Hosting Solutions Private Limited**

As per the Rating Agreement/Statement of Work executed with ICRA Limited, ICRA's Rating Committee has taken the following rating actions for the mentioned instruments of your company.

<b>Instrument</b>	<b>Previous Rated Amount (Rs. crore)</b>	<b>Current Rated Amount (Rs. crore)</b>	<b>Rating Action<sup>1</sup></b>
Non-convertible debentures (NCD)	1,510.00	1,510.00	[ICRA]BBB+ (Stable); Provisional rating finalised
Non-convertible debentures (NCD)	130.00	0.00	Provisional [ICRA]BBB+ (Stable); withdrawn
<b>Total</b>	<b>1,640.00</b>	<b>1,510.00</b>	

Once the instrument is issued, the rating is valid throughout the life of the captioned programme until withdrawn. However, ICRA reserves the right to review and/or, revise the above rating(s) at any time based on new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the rating(s). Therefore, request the lenders and investors to visit ICRA website at [www.icra.in](http://www.icra.in) for latest rating(s) of the company.

The rating(s) are specific to the terms and conditions of the instruments as indicated to us by you, and any change in the terms or size of the same would require a review of the rating(s) by us. In case there is any change in the terms and conditions or the size of the rated instrument, the same must be brought to our notice before the instrument is used by you. In the event such changes occur after the rating(s) have been assigned by us and their use has been confirmed by you, the rating(s) would be subject to our review, following which there could be a change in the rating(s) previously assigned. Notwithstanding the foregoing, any change in the over-all limit of the instrument from that specified in this letter, would constitute an enhancement that would not be covered by or under the said Rating Agreement.

The rating(s) assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated [Instrument] availed/issued by your company.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s), or occurrence of any significant development that could impact the ability of the company to raise funds such as restriction imposed by any authority from raising funds through issuance of debt securities

<sup>1</sup> Complete definitions of the ratings assigned are available at [www.icra.in](http://www.icra.in).

through electronic bidding system. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

In line with SEBI Circular No. SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, issuers are encouraged to utilize the penny-drop verification service as provided by banks. This measure is intended to prevent payment failures when disbursing principal and/or interest to respective investors or debenture holders.

Penny-drop verification serves as an efficient method for confirming the bank account details of persons designated to receive payments. Once an account has been verified through this facility, it can be used for subsequent transactions related to interest and principal payments, thereby ensuring successful remittance and avoiding failure.

We look forward to your communication and assure you of our best services.

With kind regards,  
Yours sincerely,  
For ICRA Limited

**SUPRIO**  
**BANERJEE**  
Digitally signed  
by SUPRIO  
BANERJEE  
Date: 2025.06.04  
18:23:19 +05'30'

**Suprio Banerjee**  
Vice President & Co-Group Head  
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**Annexure**

<b>Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)</b>	<b>Amount (Rs. Crore)</b>	<b>Rating</b>	<b>Rating Assigned On</b>
Proposed NCD	1,510.00	[ICRA]BBB+ (Stable)	June 03, 2025
<b>Total</b>	<b>1,510.00</b>		

June 05, 2025

## Aerogrid Advanced Hosting Solutions Private Limited: Provisional rating finalised for NCD of Rs. 1,510 crore and term loan of Rs. 160 crore, [ICRA]BBB+ (Stable) assigned for term loan of Rs. 130 crore and rating withdrawn for NCD of Rs. 130 crore

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Non-convertible debentures (NCD)	1,510.00	1,510.00	[ICRA]BBB+ (Stable); Provisional rating finalised
Non-convertible debentures (NCD)	130.00	0.00	Provisional [ICRA]BBB+ (Stable); withdrawn
Term loan	160.00	160.00	[ICRA]BBB+ (Stable); Provisional rating finalised
Term loan	-	130.00	[ICRA]BBB+ (Stable); assigned
<b>Total</b>	<b>1,800.00</b>	<b>1,800.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has finalised the provisional rating assigned to the Rs. 1,510-crore NCD and Rs. 160-crore term loan and has assigned [ICRA]BBB+ (Stable) rating to the enhanced term loan of Rs. 130 crore. Aerogrid Advanced Hosting Solutions Private Limited (AAHSPL) has shared the executed/finalised transaction documents such as term sheets for NCDs and term loan. The provisional rating has been finalised based on these documents, with the key terms being in line with the terms indicated at the time of assigning the provisional rating. The acquisition of 100% equity stake in South City Projects (Kolkata) Limited (SCPCL) is at an advanced stage and is expected to be completed shortly.

ICRA has consolidated the business and financial profile of AAHSPL and SCPCL, which is getting acquired by AAHSPL. AAHSPL does not have any operations currently and plans to acquire 100% equity stake in SCPCL.

The rating factors in the favourable location and long track record of operations of around 17 years for the South City mall being acquired, while maintaining healthy occupancy at 100% as of December 2024, with a strong tenant profile comprising reputed brands. AAHSPL is to acquire 100% equity stake in SCPCL partly funded through Rs. 1,510 crore of NCDs, while the remaining amount will be infused by the sponsor group (entities affiliated to Blackstone Inc. and Select Group). Further, the term loan of Rs. 290 crore is projected to be raised to refinance the existing debt in SCPCL. ICRA expects the net operating income (NOI) to increase by 5-7% in FY2026, backed by scheduled rent escalations and expected increase in other operating income like parking, signages, etc. The South City mall is favourably located and is surrounded by residential areas, which is likely to augment healthy footfalls. The rating factors in the established track record of AAHSPL's majority shareholder (entities part of Blackstone) in the commercial real estate market and its high financial flexibility.

The rating is, however, constrained by the moderate leverage and debt coverage metrics in FY2026 with an estimated total external debt/NOI of 8.6 – 8.8 times as of March 2026 and five-year average DSCR of 1.08 – 1.10 times during FY2026-FY2030. AAHSPL remains exposed to refinancing risk as the NCDs have bullet maturities. The revenue from the mall is also exposed to adverse macroeconomic and external conditions, which could impact the tenant's business profile. The debt coverage metrics would remain susceptible to material changes in occupancy and interest rates.

ICRA has withdrawn the rating assigned to Rs. 130.00 crore NCD based on the request of the company as it does not intend to place this NCD.

The Stable outlook reflects ICRA's expectation that the mall business will be able to sustain healthy occupancy levels, witness steady growth in NOI, supported by favourable location of the asset.

## Key rating drivers and their description

### Credit strengths

**Long track record of operation of asset; healthy occupancy levels** – The South City mall being acquired has a long track record of operation of around 17 years, while maintaining healthy occupancy at 100% as of December 2024. ICRA expects the NOI to increase by 5-7% in FY2026, backed by scheduled rent escalations and expected increase in other operating income like parking, signages, etc.

**Favourable location of asset** – The mall is favourably located and is surrounded by residential catchments, which is likely to augment healthy footfalls.

**Established track record of the majority shareholder in commercial real estate** – AAHSPL's majority shareholder (entities affiliated to Blackstone Inc.) has an established track record in the commercial real estate market. It is one of the leading owners of office, warehousing, hospitality, data centres and retail spaces in India, with a large portfolio of properties across Bengaluru, Pune, Hyderabad, Mumbai, the National Capital Region (NCR) and Chennai. Its long track record in the real estate sector and a large, diversified portfolio in the retail and commercial real estate business in India provide comfort and allow it to command high financial flexibility.

### Credit challenges

**Moderate leverage and coverage metrics** – The leverage and debt coverage metrics for the asset are expected to remain moderate with estimated total external debt/NOI of 8.6 – 8.8 times as of March 2026 and five-year average DSCR of 1.08 – 1.10 times during FY2026-FY2030.

**Exposed to refinancing risk** – AAHSPL remains exposed to refinancing risk as the NCDs have bullet maturities. Nonetheless, strong underlying business profile of the acquired mall, along with healthy financial flexibility of the sponsor group mitigates the refinancing risk to an extent.

**Vulnerability to external factors and material changes in occupancy and interest rates** – The revenues from the mall business are exposed to adverse macroeconomic and external conditions, which could impact the tenant's business profile. The occupancy and consequently the debt coverage metrics remain exposed to the upcoming competition in the vicinity. Moreover, the debt coverage metrics would remain exposed to substantial increase in interest rates, if any.

### Liquidity position: Adequate

The company's liquidity position remains adequate. With healthy occupancy levels and limited capex plans, its cash flows from operations are expected to remain adequate to meet the debt repayment obligations in FY2026 and FY2027.

### Rating sensitivities

**Positive factors** – Sustained and significant improvement in leverage and coverage metrics, backed by improved operational cash flows and/or substantial reduction in debt could lead to a rating upgrade. Specific credit metric that could lead to a rating upgrade is five-year average DSCR above 1.20 times on a sustained basis.

**Negative factors** – Pressure on the rating could be exerted with a material decline in occupancy or rent rates or a significant increase in indebtedness resulting in weakening of debt protection metrics on a sustained basis.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Lease Rental Discounting (LRD) Policy on withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has consolidated the business and financial profile of Aerogrid Advanced Hosting Solutions Private Limited (AAHSPL) and the mall business of SCPKL, which is getting acquired by AAHSPL.

## About the company

Aerogrid Advanced Hosting Solutions Private Limited (AAHSPL) was incorporated in January 2024. It does not have any operations currently. AAHSPL is to acquire 100% equity stake in SCPKL.

### Key financial indicators (audited):

Not meaningful as the company is recently formed and does not have any operations as on date.

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

### Any other information: None

## Rating history for past three years

Current (FY2026)						Chronology of rating history for the past 3 years					
FY2026						FY2025		FY2024		FY2023	
Instrument	Type	Amount Rated (Rs. crore)	June 05, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loan	Long Term	160.00	[ICRA]BBB+ (Stable)	16-APR-2025	Provisional [ICRA]BBB+ (Stable)	-	-	-	-	-	-
Term loan	Long Term	130.00	[ICRA]BBB+ (Stable)	-	-	-	-	-	-	-	-
NCD	Long Term	1,510.00	[ICRA]BBB+ (Stable)	16-APR-2025	Provisional [ICRA]BBB+ (Stable)	-	-	-	-	-	-
NCD	Long Term	0.00	Provisional [ICRA]BBB+ (Stable); withdrawn	16-APR-2025	Provisional [ICRA]BBB+ (Stable)	-	-	-	-	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
NCD	Simple
Term loan	Simple
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 I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
-	NCD <sup>^</sup>	NA	NA	NA	1,510.00	[ICRA]BBB+ (Stable)
-	NCD	NA	NA	NA	130.00	Provisional [ICRA]BBB+ (Stable); withdrawn
-	Term loan <sup>^</sup>	NA	NA	NA	160.00	[ICRA]BBB+ (Stable)
-	Term loan <sup>^</sup>	NA	NA	NA	130.00	[ICRA]BBB+ (Stable)

Source: Company; <sup>^</sup> Proposed

[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.

For more information, visit [www.icra.in](http://www.icra.in)



## ICRA Limited



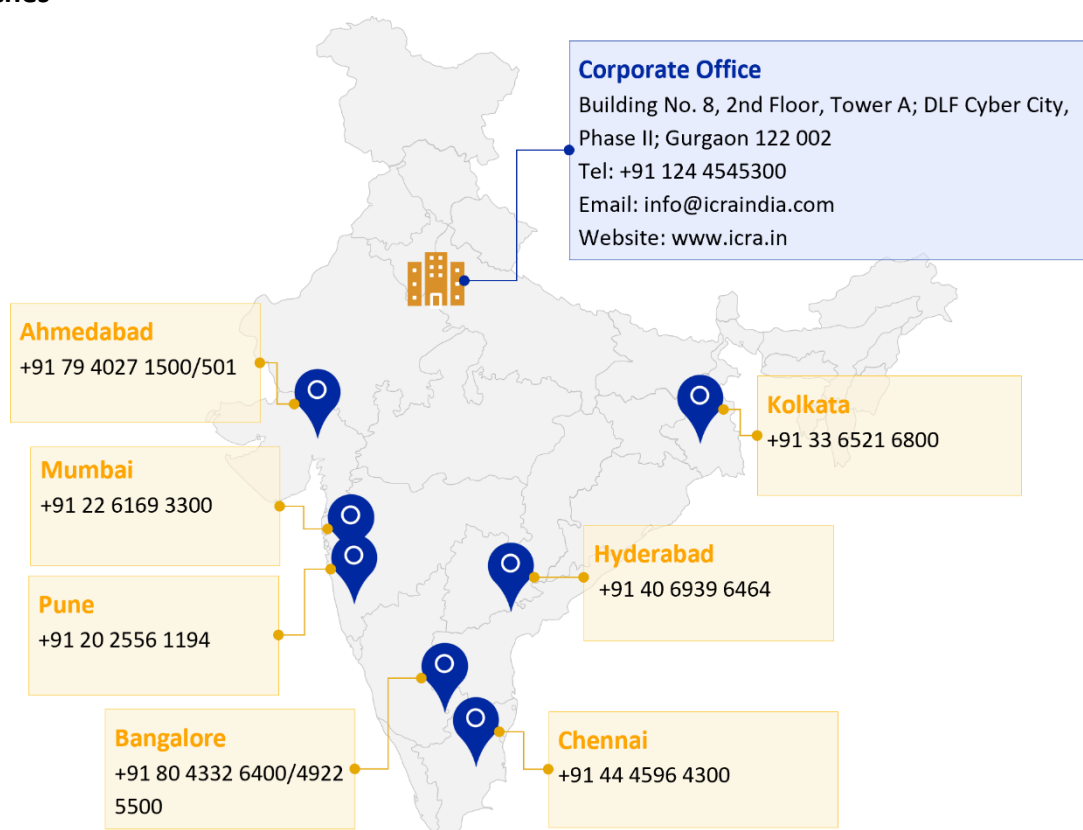
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### Branches



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