Brookfield India Real Estate Trust — 09 Dec 2025 Credit Rating Summary

Section	Details
Agency	**CRISIL Ratings**
Rating Change	**Reaffirmed / Assigned: CRISIL AAA** (No notch movement; transition from Negative Outlook in 2024 to **Stable** in 2025 confirmed).
Outlook (Current vs Previous)	**Stable** (Current) vs **Stable** (Previous - *Note: Outlook was Negative through early 2024*).
Key Drivers of Change	1. **Growth via Acquisitions:** H1 FY26 Revenue up 12% (₹2,390 Cr) and NOI up 5% (₹1,142 Cr) following asset additions. 2. **Operational De-risking:** Committed occupancy rose from 85% to 90%; successful denotification of 18 lakh sq ft SEZ area to Non-SEZ. 3. **Manageable Leverage:** Current LTV at 21.5%; projected to rise to 33.7% post-Ecoworld acquisition, remaining well below the 40% rating threshold. 4. **Portfolio Diversification:** Acquisition of Ecoworld (₹13,125 Cr) expands footprint to 7 cities and adds 7 msf of high-occupancy (94%) area.
Rated Instruments	1. **NCDs (New):** ₹2,000 Cr
Key Observations	**Positives:** • Strong Sponsor (Brookfield) and 90% portfolio occupancy. • Mark-to-market potential as renewals happen at higher current market rentals. • Healthy Liquidity: ₹1,647 Cr cash/equivalent plus DSRA support. **Risks:** • Concentration: IT sector comprises 47% of tenant base post-Ecoworld. • Refinancing: Bullet repayments on NCDs require proactive market access. • Cyclicality: 22% of rentals due for renewal over next 3 fiscals; vacancy risk persists.
Investor Impact	**Growth:** Aggressive inorganic expansion (Ecoworld) provides scale but increases debt. **Margins:** NOI margin remains stable at ~48%; SEZ denotification improves leasing flexibility. **Leverage/Dilution:** Debt levels are rising (₹9,650 Cr existing); however, LTV headroom exists. Future acquisitions may require equity raises, posing a dilution risk to DPU (Distribution Per Unit).
Agency / Cross Analysis	**Same Agency:** CRISIL has moved the outlook from Negative (2023-24) to Stable (2025). This reflects the successful integration of previously acquired assets and the resolution of SEZ occupancy concerns through denotification. Financials show a significant scale-up (Revenue ₹1,790 Cr in 2024 → ₹2,390 Cr in 2025) while keeping interest coverage stable at 1.6x. **Conclusion:** Improvement. The REIT has successfully transitioned from a period of "Negative" pressure to a stable growth phase.
Final Inference	**Real improvement in asset quality and scale.** The move to 90% occupancy and the Ecoworld acquisition signal strong cash flow visibility, though equity investors must monitor the 40% LTV cap which restricts further debt-funded growth.