Brookfield India Real Estate Trust — 23 Apr 2026 Credit Rating Summary

This report details the reaffirmation of the highest credit quality for Brookfield India Real Estate Trust (BIRET), reflecting improved operational stability through occupancy gains and successful SEZ denotifications.

Credit Rating Summary: Brookfield India Real Estate Trust (BIRET)

Section	Details
Agency	**CRISIL Ratings**
Rating Change	**Reaffirmed** at **AAA** (No notches moved)
Outlook	**Stable** (Maintained)
Key Drivers of Change	1. **Revenue Growth:** 9M FY26 revenue rose **12% YoY** to **₹1,753 Cr**, driven by acquisitions (Arliga Ecoworld) and higher occupancy. 2. **Leasing Momentum:** Committed occupancy improved to **92%** (vs. 87% YoY); SEZ occupancy rose to **90%** following denotification of ~31 lakh sq ft. 3. **Conservative Leverage:** External Net LTV maintained at **31.5%**, well below the 40% rating sensitivity threshold. 4. **Asset Scale:** Portfolio expanded to **324 lakh sq ft** across 7 cities, diversifying geographic risk.
Rated Instruments	• **NCDs:** ₹3,500 Cr (₹2,000 Cr issued + ₹1,500 Cr proposed)
Key Observations	**Strengths:** • Strong sponsorship (Brookfield) and high-quality "Grade A" assets. • High Tenant Quality: **45%** of rentals from Global Capability Centres (GCCs). • Liquidity: **₹1,647 Cr** in cash/equivalents; DSRA maintained for 1-3 months. **Concerns:** • **Concentration:** High exposure to Technology sector tenants. • **Refinancing Risk:** NCDs have bullet repayments; requires proactive market access. • **Cyclicality:** Lease renewals (31% of rentals over next few years) susceptible to market downturns.
Investor Impact	• **Growth:** Inorganic growth through Arliga acquisition is accretive to NOI. • **Margins:** Interest coverage is tight at **1.6x**; lower interest costs on new debt will be key. • **Leverage:** Low LTV (31.5%) provides ~₹2,500-3,000 Cr headroom for acquisitions before hitting 40% cap, reducing immediate dilution risk. • **Distributions:** Improved PAT (**₹160 Cr** in FY25 vs -₹15.3 Cr in FY24) supports stable DPU.
Agency / Cross Analysis	**Same Agency Evolution:** CRISIL moved BIRET from 'Negative' to 'Stable' outlook in late 2024. This review confirms that the "Stable" stance is justified by the successful integration of the North Commercial Portfolio (RRPL) and the recovery in SEZ leasing (90% occupancy target for FY27). **Financial Alignment:** Revenue jumped from ₹1,790 Cr (FY24) to ₹2,390 Cr (FY25), validating the "AAA" status despite temporary losses in previous years.
Final Inference	**Real fundamental improvement.** The transition from 87% to 92% occupancy and the unlocking of SEZ spaces via denotification significantly de-risks the cash flow. The "AAA" is backed by high-quality GCC tenants, making it a defensive equity play with steady distribution potential.

Financial Snapshot (FY25 vs FY24): * **Operating Income:** ₹2,390 Cr (↑ 33.5%) * **PAT:** ₹160 Cr (vs -₹15.3 Cr) * **Gearing:** 0.57x (Improved from 0.98x) * **LTV Ratio:** 31.5% (Threshold for downgrade: >40%)