Press Release
PLATINUM HOLDINGS PRIVATE LIMITED
May 16, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	350.00	ACUITE BBB- | Stable | Upgraded	-
Total Outstanding Quantum (Rs. Cr)	350.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long term rating to **'ACUITE BBB-' (read as ACUITE triple B minus**f)rom **'ACUITE BB+' (read as ACUITE double B plus)**on the Rs.350.00 Cr. bank facilities of Platinum Holdings Private Limited (PHPL). The outlook is **"Stable"**.

Rationale for upgrade

The rating upgrade reflects transition from Issuer Non-Cooperating (INC; due to delay in furnishing surveillance documents in a timely manner) to regular. Additionally, the company has onboarded new tenant Tata Consultancy Services (TCS) replacing Cognizant from March 2025. The other tenants including TCS i.e State Street HCL Services Private Limited(SSHCL), First Source etc provide diversification benefit with respect to the rental and utility income for servicing the debt obligation. The rating also factors in the experience of the promoter in the real estate space. However, the rating is constrained by timely collection of rent and cost escalation along with lease renewal risk.

About the Company

Tamil Nadu Based, Platinum Holdings Private Limited was incorporated in 2006. The company is engaged in the business of real estate and it is Leasing of Commercial Asset - Ozone Techno Park based in Chennai. The directors of company are Mr. Yerram Vikranthreddy, and Ms. Apoorva Reddy Yerram.

Unsupported Rating
Not Applicable

Analytical Approach
Acuite has considered the standalone business and financial risk profile of Platinum Holdings Private Limited.

Key Rating Drivers

Strengths

Experienced management and established track record of operations
Platinum Holdings Private limited (PHPL) was incorporated in the year 2006 as a subsidiary of True Living Spaces Pvt ltd. It was subsequently was acquired by Viko Infra Projects LLP(promoted and managed by Mr.Yerram Vikrant

Reddy) in April 2023. PHPL owns and operates commercial property in Chennai named as 'Ozone Techno Park' located along side Chennai IT expressway, Rajiv Gandi Salai (Old Mahabalipuram road). Ozone Techno park is built on land of 7 acres of land with total leasable area of 9,75,218 Sq fts occupied by anchor tenants like TCS, HCL Technologies Ltd, State street HCL, and First Source Solutions Ltd. The new promotor of the company Mr.Yerram Vikranth Reddy is an experienced entrepreneur in various businesses. He has investments in SPP Sports Private Limited, Viko Realty, Summit Infra developers, and various other companies. His previous ventures include Hetero Med Solutions Ltd, which is sold to Apollo Hospital Enterprise Ltd. Acuite believes that PHPL will continue to benefit from its experienced management and established track record of operations.

Strategic location of the property and healthy cash flows supported by healthy occupancy rate
Ozone Techno Park is located at major IT office destination Rajiv Gandhi Salai, it is in close proximity to SIPCOT IT park with a concentration of large number of employees engaged in IT and allied services, conducive eco system with schools, hospitals and retail outlets. The building is equipped with modern amenities and 'Grade A' infrastructure meeting the criteria requirement for Blue Chip companies. Major tenants for the company includes TCS, HCL Technologies ltd, First Source Solutions Ltd,and State Street HCL among others. The company's occupancy levels remains at 95 percent level. Source of income for the company includes lease rental income, CAM income and Utility income. Company's long term lease agreements with tenants includes built in revenue escalation clause and lock in period thereby providing stability to business risk profile of the company.

Weaknesses

Customer concentration risk along with occupancy and renewal risk
The main revenue source of the firm is the income generating from lease rentals. As on date 95 percent of the property is let out to five tenents. PHPL is highly dependent on timely renewal of lease and license agreement from its tenant. Further, occurrence of events such as delays in receipt of rentals, or early exits/renegotiation by lessee due to the latter's lower than expected business performance may result in disruption of cash flow streams, thereby affecting debt servicing ability of the company. Further, any significant increase in competition from any other large real estate company in a competitive market like Chennai may result in the properties of PHPL facing renewal risks.

Exit of lessee before lease expiry date
Cognizant which previously occupied ~66% of the total leasable area of the property had exited in November 2024 as a result of which revenues were impacted to the tune of Rs.12 Cr. (approx). However, TCS has come in replacement of the same and are planning to occupy the remaining vacant space of the property as well by FY26. Given the dependency on rental cashflows for revenue generation, any lease renewal risk or contraction risk with regards to tenure of the agreement will remain a key monitorable.

Weak financial risk profile
The financial risk profile of the company is marked by adequate debt protection metrics and lease rental cash flows, however, the net worth of the company remained negative due to carry forward losses of previous years. The tangible net worth of the group stood at Rs.-17.59 Cr. as on March 31, 2025(prov) as compared to Rs.-16.84 Cr. as on March 31, 2024 due to accretion to reserves. The gearing of the company stood modest at -24.92 times as on 31 March, 2025 (prov). The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at -27.14 times as on March 31, 2025(prov.) as compared to -27.51 times as on March 31, 2024. The debt protection metrices of the company remain comfortable marked by Interest coverage ratio (ICR) of 1.29 times and debt service coverage ratio (DSCR) of 1.09 times for FY2025(prov). The net cash accruals to total debt (NCA/TD) stood healthy at 0.02 times in FY2025(prov). Acuite believes the financial risk profile of the company is likely to improve in the near to medium term on account of healthy rental income and no major debt funded capital expenditure.

Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the "CE" suffix)

PHPL maintains a Debt Service Reserve Account (DSRA) equivalent to 3 months of interest and instalment repayment obligation along with the ESCROW mechanism.

Stress Case scenario

Acuite believes that, given the presence of DSRA mechanism, PHPL will be able to service its debt on time, even in a stress scenario.

Rating Sensitivities

- Timely payment of lease rentals
- Any termination of lease from the existing tenant resulting in stretched liquidity position

Liquidity Position
Adequate
The Company has adequate liquidity marked by adequate net cash accruals of Rs. 9.33 Cr. as on March 31, 2025(prov.) as against Rs. 5.85 Cr. long term debt obligations over the same period. Also, the DSCR for the tenure

of the loan is expected to be more than sufficient to repay the debt obligations. The debt repayment are being serviced via rentals received from property. The rental inflows are managed through ESCROW mechanism along with DSRA maintenance of 3 months of interest and instalment repayment obligations.
The current ratio of the group stood comfortable at 0.83 times in FY2025(prov). The cash and bank balance stood at Rs.12.29 Cr. for FY2025(prov). Acuité believes that the liquidity of the Company is likely to remain adequate over the medium term on account of comfortable cash accruals against long debt repayments over the medium term.

Outlook: Stable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	55.89	71.88
PAT	Rs. Cr.	(0.75)	6.79
PAT Margin	(%)	(1.34)	9.45
Total Debt/Tangible Net Worth	Times	(24.92)	(26.93)
PBDIT/Interest	Times	1.29	1.83

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
- Service Sector: https://www.acuite.in/view-rating-criteria-50.htm
- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Apr 2025	Term Loan	Long Term	350.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- | Stable)
29 Jan 2024	Term Loan	Long Term	350.00	ACUITE BBB- | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Jun 2038	350.00	Simple	ACUITE BBB- | Stable | Upgraded (from ACUITE BB+)

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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