Press Release

ECOBOX INDUSTRIALS ASSET III PRIVATE LIMITED

August 18, 2025

Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	25.00	ACUITE BBB- | Stable | Upgraded	-
Total Outstanding Quantum (Rs. Cr)	25.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité 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.25.00 Cr. Non-Convertible Debentures (NCD) of Ecobox Industrials Asset III Private Limited (EIAPL-III). The outlook is **'Stable'.**

Rationale for rating

The rating upgrade takes into the successful acquisition of the warehouses by the Ecobox Group (group) in FY25 supported by NCD issuances via SPVs, lease rental discounting loan takeover and equity infusions from the promoters without any cost overruns. The rating continues to draw comfort from the group's strong parentage through the Singapore based fund house sponsors i.e. Rava Partners (RP). Operationally, the group has achieved ~91% occupancy across its warehouse portfolio with reputed clients from sectors such as electrical appliances and logistics, coupled with lease escalation clauses and strategic location benefits. Further, the group is expected to maintain a moderate debt service coverage ratio (DSCR) of ~1.30-1.35x over the next three years with significant repayment obligations in FY29-30. However, the group maintains a leveraged portfolio in terms of Debt/EBITDA ranging ~7.00x over the medium term. Therefore, ability of the company to have retained occupancy from the lessees and any change in the debt obligations through repayment or refinancing shall be a key rating sensitivity.

About the Company

Incorporated in July 2024, Ecobox Industrials Asset III Private Limited (EIAPL-III) is a special purpose vehicle formed for acquiring warehousing assets at Sri City, Andhra Pradesh. The company is a part of the Ecobox Group which is promoted by Rava Partners, Singapore based fund house. In FY25, EIAPL-III acquired warehouse of Indospace Chittoor II Private Limited from Indospace Group. The company is currently managed by Mr. Abhay Goyal and Mr. Ashish Shah.

About the Group

Formed in 2024, Ecobox Group (group) is an investment venture of Rava Partners (RP), indulged in operation of acquired warehouses. The sponsors i.e Rava Partners vide this group has acquired four operational industrial warehousing assets from Indospace Group in FY25, two at Pune and other two in Andhra Pradesh with asset size of ~3.53 Mn Sq. ft. at an acquisition value of ~Rs. 811.04 Cr through a mix of NCDs (Rs. 323.94 Cr) and Equity/Compulsory Convertible Debentures (CCD) infusion (Rs. 487.10 Cr)and housed these assets under its SPV's - Ecobox Industrials Asset I Private Limited (EIAPL-I)/Ecobox Industrials Asset II Private Limited (EIAPL-II)/Ecobox Industrials Asset III Private Limited (EIAPL-III) respectively. The existing LRD loans (Rs. 371.56 Cr) have also been taken by the group.

Unsupported Rating

Not Applicable.

Analytical Approach

Extent of Consolidation
• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has consolidated the business and financial risk profiles of Ecobox Industrials Asset I Private Limited (EIAPL-I), Ecobox Industrials Asset II Private Limited (EIAPL-II) and Ecobox Industrials Asset III Private Limited (EIAPL-III) including their acquired entities, collectively referred to as the Ecobox Group. The consolidation takes into consideration the similar line of business, common management and significant operational and financial linkages.

Key Rating Drivers

Strengths

Strong Parentage
Rava Partners, sponsor of the group, is known for building real asset platforms in growth sectors of Asia's economy such as education, logistics / industrial, life sciences / healthcare, digital infrastructure and other specialized asset classes. It is in turn established by Hillhouse Investment, a global alternative investment management firm with a range of investment strategies that span across public equities, private equity (across buyout, venture capital and growth strategies), private credit and real assets. Since launch of its real assets business, RP has committed more than USD $2 billion to real asset businesses spanning across warehousing, logistics, and supply chain sectors. Based in Singapore, the global investment firm has an international team working in offices at Mumbai, London, New York, Sydney, Hong Kong, Beijing, Shanghai, and Amsterdam.

Adequacy of operational cashflow from warehouses acquired
The warehouse assets acquired by the group has lease tie ups with reputed names such as Whirlpool, Jabil, Haier, Motherson, etc. having occupancy of ~91% as on June 30, 2025. The assets are operational in nature with steady cashflows leading to a moderate DSCR of ~1.30-1.35x over the next three years.
Acuité believes that lease tie ups with reputed clientele and minimal vacant space shall provide adequate cash flows to the SPV for its debt servicing.

Weaknesses

Leveraged portfolio, renewal & occupancy risk
The group currently has a leveraged portfolio with Debt/ EBITDA ranging ~7.00x over the medium term. Further, significant debt obligations of NCD & LRD are due in FY29-30, repayments of which shall be a key rating monitorable. Additionally, the servicing of debt obligations of the SPV is dependent on timely and adequate receipt of cashflows from the warehoused assets; therefore, the tie up of vacant space of ~1,93,000 sq.ft. warehouses along with retained occupancy is necessary. Therefore, ability of the company to have retained occupancy from the lessees and any change in the debt obligations through repayment or refinancing shall be a key rating sensitivity.

Rating Sensitivities

- Improvement in leverage through debt repayment or refinancing
- Retained occupancy of warehouses and timely leasing out of the vacant space.

All Covenants

- The ratio of the Net Debt/ TTM NOI (Net Operating Income) of the Obligors (on a consolidated basis) shall, at all times until March 31, 2025 be less than or equal to 8.5x and thereafter until the Final Settlement Date, be less than or equal to 8.25x
- The LTV (Loan to Value) Ratio of the Obligors shall not, at any time till the Final Settlement Date, exceed the Required LTV Ratio of 65%
- The Debt Service Coverage Ratio of the Obligors (on a consolidated basis) shall, at all times until the Final Settlement Date, be equal to or greater than 1.1x

Liquidity Position

Adequate

The liquidity position is marked adequate basis the strong parentage and expected support from them in case of any exigencies. Further, liquidity is estimated to remain adequate marked by net operating income (NOI) in the range of ~Rs.90.00-95.00 Cr in FY26 against repayment obligations in the range of ~Rs.70 Cr for the same period.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	22.63	0.00
PAT	Rs. Cr.	(100.22)	0.00
PAT Margin	(%)	(442.92)	0.00
Total Debt/Tangible Net Worth	Times	1.65	0.00
PBDIT/Interest	Times	0.32	0.00

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

Not Applicable.

Any Other Information

The consolidated financial performance presented is from the formation/ acquisition date to the period ended 31st March, 2025.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
- Consolidation Of Companies: https://www.acuite.in/view-rating-criteria-60.htm
- Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
- Service Sector: https://www.acuite.in/view-rating-criteria-50.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
31 Jan 2025	Proposed Non Convertible Debentures	Long Term	7.35	ACUITE BB+ | Stable (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	17.65	ACUITE BB+ | Stable (Reaffirmed)
03 Oct 2024	Proposed Non Convertible Debentures	Long Term	25.00	ACUITE BB+ | Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	37.00	ACUITE Not Applicable (Withdrawn)
11 Sep 2024	Proposed Non Convertible Debentures	Long Term	62.00	ACUITE BB+ | 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
Not Applicable	INE12W807011	Non-Convertible Debentures (NCD)	05 Nov 2024	10.15	05 Feb 2029	17.65	Simple	ACUITE BBB- | Stable | Upgraded (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.35	Simple	ACUITE BBB- | Stable | Upgraded (from ACUITE BB+)

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr.No	Name of the Company
1	Ecobox Industrials Asset I Private Limited
2	Ecobox Industrials Asset II Private Limited
3	Ecobox Industrials Asset III Private Limited

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations Dhruvi Chauhan Associate Analyst-Rating Operations	**Contact details exclusively for investors and lenders** Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.