Acuite
RATINGS & RESEARCH

Rating Letter - Intimation of Rating Action

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Letter Issued on : October 03, 2024
Letter Expires on : August 09, 2025
Annual Fee valid till : August 09, 2025

ECOBOX INDUSTRIALS ASSET III PRIVATE LIMITED
C-605, SUSHILA BAUG,
53-A, S.V. ROAD,
Mumbai 400054
MAHARASHTRA

Kind Attn.: Mr. ASHISH SHAH, DIRECTOR (Tel. No.9967103300)

Sir / Madam,

Sub.: Rating(s) Reaffirmed and Withdrawn - Debt Instruments of ECOBOX INDUSTRIALS ASSET III PRIVATE LIMITED

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

	Long Term Instruments	Short Term Instruments
Total Rated Quantum (Rs. Cr.)	62.00	0.00
Quantum of Enhancement (Rs. Cr.)	0.00	0.00
Rating(s)	ACUITE BB+	Not Applicable
Outlook	Stable	Not Applicable
Most recent Rating Action(s)	Reaffirmed and Withdrawn	Not Applicable
Date of most recent Rating Action(s)	October 03, 2024	Not Applicable
Rating Watch	Not Applicable	Not Applicable

Acuit® reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuit® believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuit® as required under prevailing SEBI guidelines and Acuit® ís policies.

This letter will expire on **August 09, 2025** or on the day when Acuit® takes the next rating action, whichever is earlier. It may be noted that the rating(s) is subject to change anytime even before the expiry date of this letter. Hence lenders / investors are advised to visit https://www.acuite.in/ OR scan the QR code given above to confirm the current outstanding rating(s).

Acuit® will re-issue this rating letter on **August 10, 2025** subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before **August 09, 2025**, Acuit® will issue a new rating letter.

Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the íNo Default Statementî on the first working day of every month.

Sd/-
Chief Rating Officer

This is a system generated document. No signature is required.

Annexures: A. Details of the Rated Instrument

Annexure A. Details of the rated instrument			
Instruments	**Scale**	**Amt. (Rs. Cr)**	**Rating Assigned (Outlook) | Rating Action**
Proposed Non Convertible Debentures	Long-term	25.00	ACUITE BB+ (Stable) | Reaffirmed
Proposed Non Convertible Debentures	Long-term	37.00	Not Applicable | Withdrawn
Total Quantum Rated		**62.00**	-

Press Release

October 03, 2024

ECOBOX INDUSTRIALS ASSET III PRIVATE LIMITED
Rating Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	25.00	ACUITE BB+ | Stable | Reaffirmed	-
Non Convertible Debentures (NCD)	37.00	Not Applicable | Withdrawn	-
Total Outstanding	25.00	-	-
Total Withdrawn	37.00	-	-

Rating Rationale

Acuité has reaffirmed its long-term rating of **'ACUITE BB+' (read as ACUITE Double B plus)** on the Rs 25.00 Cr. Non-Convertible Debentures of Ecobox Industrials Asset III Private Limited. The Outlook is **'Stable'**.

Acuité has withdrawn its long-term rating on the Rs. 37.00 Cr. Non-Convertible Debentures of Ecobox Industrials Asset III Private Limited without assigning any rating as it is a proposed facility. The rating withdrawal is in accordance with Acuite's policy on withdrawal of rating as applicable to the respective facility/instrument. The rating is being withdrawn on account of request received from the company.

Rationale for Rating
The rating fcators in the strong parent support from Rava Partners which is a Singapore based fund house. Rava Partners has committed more than USD $2 billion to real assets businesses spanning the warehousing, logistics, and supply chain sectors. Ecobox group of entities is one such warehousing venture of Rava Partners. However, execution risk of proposed acquisition constrains the rating.

Additionally, Acuité takes note of the change in acquisition plan of Ecobox Group. The Group earlier planned to acquire 3 operational industrial warehousing assets housed under 4 different existing SPVs from a seller. Under the revised plan, the Group shall acquire 2 operational industrial warehousing assets housed under 3 different existing SPVs from the seller. Accordingly, the revised acquisition cost has been factored in along with its impact on the financial profile and debt servicing ability of the group. The two warehousing assets are located at Pune, Maharashtra and Tirpuati, Andhra Pradesh. Given the proposed acquisition is currently at nascent stage, there remains high degree of funding/execution risk with respect to infusion of equity from the Ecobox Group and debt tie-up from the proposed lender. Further, Acuité believes that the timely completion of the proposed acquisition without any material change in the capital structure and committed equity and debt will be a key rating monitorable.

About the Company
Ecobox Industrials Asset III Private Limited (EIAPL-III) incorporated in July, 2024, is a new investment venture of Rava Partners. A special purpose vehicle formed for the purpose of acquiring a warehousing asset at Sricity, Tirupati. The company is currently managed by Mr. Abhay Goyal and Mr. Ashish Shah.

Unsupported Rating
Not Applicable.

Analytical Approach
Acuité has considered the standalone business and financial risk profiles of Ecobox Industrials Asset III Private Limited to arrive at this rating.

Key Rating Drivers

Strengths
Strong Parentage:
EIAPL – III is a part of Ecobox group of entities, which is promoted by Singapore based fund house Rava Partners. Rava Partners builds 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. Since launching its real assets business, Rava Partners has committed more than USD $2 billion to real assets businesses spanning the warehousing, logistics, and supply chain sectors. Rava Partners was established by Hillhouse Investment together with senior management of Rava. Hillhouse Investment ("Hillhouse") is a global alternative investment manager with a range of investment strategies that span public equities, private equity (across buyout, venture capital and growth strategies), private credit and real assets. The firm manages capital for global institutions, including non-profit foundations, endowments, and pensions. Based in Singapore, the global investment firm has an international team working in offices in Mumbai, London, New York, Sydney, Hong Kong, Beijing, Shanghai, and Amsterdam. Ecobox group is in the process of acquiring 2 operational industrial warehousing assets, housed under 3 different existing SPVs, from a seller. The total asset size is ~2.22 mn sq ft. The existing SPVs will be acquired by way of a share purchase agreement. For this, the parent group has created 3 new SPVs which will buy the shareholding of these existing SPVs from the seller. EIAPL-III is one of the entities of this transaction, which will acquire 100 percent shareholding in one of the seller entities from its existing promoters. The warehousing asset is located at Sricity, Tirupati.

Adequacy of operational cashflow from warehouses to be acquired
Ecobox group is in the process of acquiring 2 operational industrial warehousing assets, housed under 3 different existing SPVs, from a seller. The 2 warehouses at a consolidated level are estimated to generate DSCR in the range of 1.20 – 1.32 times. EIAPL – III will be acquiring 100% stake in one of the seller entites which owns the warehousing asset located at Sricity, Tirupati. At a standalone level, the DSCR from the asset is estimated to be in the range of 1.06-1.18 times.

Weaknesses

Execution Risk:
The proposed transaction i.e. purchase of warehousing asset by EIAPL - III vide share purchase in seller entity is currently under process with infusion of both debt and equity funding pending. The acquisition is estimated to cost around ~Rs. 58.70 Cr. which is to be funded by equity or compulsorily convertible debentures to the tune of Rs. 33.70 Cr. and balance vide issue of listed non-convertible debentures. Further, Acuité believes that the timely completion of the proposed acquisition without any material change in the capital structure and committed equity and debt will be a key rating monitorable.

Rating Sensitivities

Timely completion of proposed acquisition without any material change in the capital structure and committed equity and debt.
Retained occupancy of warehouses that are to be acquired.

Liquidity Position

Adequate
The liquidity position is marked adequate basis the strong parentage of EIAPL-III and expected support from them in case of any exigencies. Further, post completion of proposed acquisition liquidity is estimated to remain adequate marked by sufficient net cash accruals against repayment obligations. At a standalone level for EIAPL - III, the DSCR from the asset is estimated to be in the range of 1.06-1.18 times and at a consolidated level are estimated to generate DSCR in the range of 1.20 – 1.32 times.

Outlook: Stable

The Outlook is 'Stable' driven by strong parentage of the company. The outlook may be revised to 'Positive' in case of timely completion of proposed acquisition without any material change in the capital structure and committed equity and debt. Further, the outlook can be changed to 'Negative' in case of delay in proposed debt or equity funding in the company which would delay the proposed acquisition.

Other Factors affecting Rating

None

Key Financials :

The company is incorporated on July 31, 2024, financial statements for the year are not available.

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

Not Applicable

Any other information

None.

Applicable Criteria

• Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Real Estate Entities: https://www.acuite.in/view-rating-criteria-63.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
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	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE BB+ | Stable | Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	37.00	Simple	Not Applicable|Withdrawn

Contacts

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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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