

Nostromo Developers LLP

February 19, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	480.00	CARE BBB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BBB; Stable and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

Downgrade in the rating factors the ongoing dispute between partners that may have bearing on the firm's operations. CARE Ratings Limited (CareEdge Ratings) notes that escalation in disputes could have bearing on the firm's performance with respect to decision-making and treasury control. However, the management has articulated that there is no impact on the firm's normal operations.

Nostromo Developers LLP (NDLLP) has not paid surveillance fees for the rating exercise agreed to in its Rating Agreement. CareEdge Ratings has also not been able to conduct lender due diligence as the lender has not replied on the entity's conduct. In line with the extant SEBI guidelines, CareEdge Ratings' rating on NDLLP's bank facilities will now be denoted as CARE BBB-; ISSUER NOT COOPERATING.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while considering these rating(s).

Analytical approach: Standalone

Outlook: Stable

'Stable' outlook reflects CareEdge Ratings' opinion that operations are expected to remain stable due to leasing nature of business model.

Detailed description of key rating drivers:

Key strengths

Satisfactory operational parameters

NDLLP's leased asset is characterised by steady cash flows, healthy occupancy level and strong tenant profile. It is operating a single asset named 37, Cunningham with total leasable area of 2.27 lsf. The asset is operational since September 2023, and the occupancy rate stands healthy at 100% as on November 30, 2024. Lease agreements are executed for a tenure of 5-10 years with lock-in of three years and escalation of 15% after every three years. The property is leased out mainly to multi-national companies such as Australian Consulate-General, Pearson India Education Services Private Limited, Columbia Sportswear India Sourcing Private Limited Snex Technologies, Neo Wealth Management Private Limited, Wework India Management Private Limited and AZB & Partners. Tenants have incurred fit out costs, and hence, tenant stickiness exists.

Favourable location and Grade A quality asset

37, Cunningham is favourably located at Cunningham Road in the Bengaluru's Central Business District. It is one of the busiest commercial streets and also one of the most premium residential localities of Bengaluru. The micro-market is well-developed with social, commercial, and economic infrastructure in the location. Its proximity with posh neighbourhoods such as Race Course Road, High Grounds and Cubbon Park add value to the high-end ambience. The property is well-maintained with quality infrastructure and sustainability features as marked by LEED Core and Shell Gold certification and WELL Certified Gold Core Structure. It is well-connected to Cubbon Park and Vidhan Soudha metro stations and other public transport options. The asset's prime location and quality infrastructure contribute to the healthy occupancy level.

Presence of escrow mechanism and debt service reserve account for debt servicing

Per terms of the loan agreement, entire cash inflows consisting of lease rentals, and other inflows (common area maintenance [CAM], and parking income, among others) are required to be routed through designated escrow account. There is a well-defined

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

waterfall mechanism, where debt servicing takes priority over other outflows, demonstrating strong discipline. With escrow and waterfall mechanisms, the firm is also required to create debt service reserve account (DSRA) equivalent to three months principal and interest amount, which supplements the liquidity profile.

Key weaknesses

Ongoing promoter dispute

There is an ongoing dispute among partners, which is currently under arbitration. The business continues to operate status-quo as of now. However, there may be impact on strategic decisions, which need to be taken by the management. Impact of prolonged dispute among the partners is unforeseeable and remains a risk factor.

Moderate financial risk profile

At the current occupancy level, NDLLP is expected to generate rental income of ~₹61 crore in FY26, against expected debt of ₹ 231.5 crore as on March 31, 2026. Rental income is expected to increase from ~₹44 crore in FY25 to ~₹61 crore in FY26 as occupancy increased from 95% to 100%. Financials for FY25 have not been audited yet. Debt /rental is expected to be 3.82x by FY26-end. The firm's loan to value (LTV) is expected to be ~30% as on FY26-end. As indicated by the LLP, it does not have plans to raise further debt. The firm's cash coverage ratio (CCR) is expected to remain modest in the term loan tenure, owing to moderately high leverage of the asset.

Exposure to revenue concentration and lease agreement rollover risk

NDLLP is exposed to revenue concentration risk since there are only eight tenants, of which top five tenants occupy ~85% of the total leased space. The firm's rental income is susceptible to volatility in occupancies and rental rates. Most leases are signed for a tenure of 5-10 years with lock-in period of three years. In the next five years, over 60% area shall be due renewal. Accordingly, timely renewal of lease agreements and realisation of escalations as envisaged remains crucial for effective cash flow management. However, tenants have incurred fit out costs in the range of ₹2500-3000 per sqft and weighted average lease expiry (WALE) is 5-8 years, which will contribute to tenant stickiness, mitigating vacancy risk to some extent.

Asset and geographic concentration risks

NDLLP operates on a limited scale with single project portfolio comprising 2.27 lsf of leasable area. The asset is positioned in a single micro-market at Cunningham Road, Bengaluru. The firm is exposed to geographical concentration risk, inherent to single project portfolio. Adverse development or decline in demand in such micro-market may significantly impact the firm's rentals and occupancy. Prime location of the asset reduces risk to a certain extent.

Inherent risk associated with cyclical real estate industry

The firm is exposed to cyclicity associated with the real estate sector, which has direct linkage with general macroeconomic scenario, interest rates and level of disposable income available with individuals. Rental collection remains susceptible to economic downturns, which may constrain the tenant's business risk profile, and therefore, limit occupancy and rental rates. Emergence of competing facilities in the vicinity could cannibalise tenants or rental rates. While tenants in NDLLP are established corporates and may continue to occupy the property, industry shock leading to vacancies may make it difficult to find alternate lessees within stipulated time. This could adversely impact cash flow, and hence, will be monitorable.

Liquidity: Adequate

Adequate liquidity is characterised by strong monthly rental collection of ~₹5 crore against monthly average interest and principal obligation of ~₹2.4 crore in FY26. Hence, the firm's net project inflows are expected to be adequate to serve debt commitments. The firm has free cash and bank balances of ₹28 crore as on December 31, 2025, which includes DSRA.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Debt backed by lease rentals](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Realty	Realty	Residential, commercial projects

Incorporated on February 06, 2021, NDLLP (formerly named as Midas Developers) is a limited liability partnership firm, which is jointly promoted by MFAR and Global Tech Park group. Promoted by Dr P Mohamed Ali, MFAR group is a multi-sectoral conglomerate with an experience of over three decades in construction, real estate, hospitality, and manufacturing solutions. The group has built and delivered over three million square feet (msf) of commercial office space in Bengaluru, India. Founded in 2001, Global Tech Park group is engaged in leasing commercial office space in Bengaluru and Coimbatore. Satish Chandra is the group's key promoter.

NDLLP is a special purpose vehicle (SPV) formed specially for developing and leasing commercial office '37, Cunningham' on Cunningham Road, Bengaluru. Operational from September 2023, the asset has a leasable area of 2.27 lsf.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	3.77	47.56
PBILDT*	-5.01	35.39
Profit after tax (PAT)	-22.48	7.09
Overall gearing (x)	1.94	2.32
Interest coverage (x)	-0.38	1.95

A: Audited UA: Unaudited; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Lease rental discounting/ Rent Receivables Financial		-	-	-	480.00	CARE BBB-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Lease rental discounting/ Rent Receivables Financial	LT	480.00	CARE BBB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BBB; Stable (11-Dec-24)	-	-

*Issuer did not cooperate; based on best available information.

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Lease rental discounting/ Rent Receivables Financial	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Saikat Roy Senior Director CARE Ratings Limited Phone: 912267543404 E-mail: saikat.roy@careedge.in</p>	<p>Analytical Contacts</p> <p>Divyesh Bharat Shah Director CARE Ratings Limited Phone: +91-020-4000-9069 E-mail: divyesh.shah@careedge.in</p> <p>Sayani Mukherjee Associate Director CARE Ratings Limited Phone: 7045664036 E-mail: Sayani.Mukherjee@careedge.in</p> <p>Sakshi Shah Analyst CARE Ratings Limited E-mail: Sakshi.Shah@careedge.in</p>
--	---

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

**For detailed Rating Report and subscription information,
please visit www.careratings.com**