# DTWELVE SPACES PRIVATE LIMITED

September 28, 2026

| Facilities/Instruments | Name of the Regulator[1] | Amount (₹ crore) | Rating[2] | Rating Action |
|---|---|---|---|---|
| Issuer rating | - | 0.00 | CARE B+; Stable; ISSUER NOT COOPERATING* | Downgraded from CARE BB+; Stable and moved to ISSUER NOT COOPERATING category |

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

**Issuer Ratings:** There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

## Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from Dtwelve Spaces Private Limited to monitor the ratings vide e-mail communications/letters dated September 17, 2026, September 02, 2026, August 28, 2026, August 25, 2026, etc.; and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above ratings.**

The ratings have been downgraded on account of company's leveraged capital structure, which has been impacted by sustained losses leading to erosion of net worth over the years. The rating also takes into account the intense competition the company faces from both organised and unorganised players in the shared living sector, which limits its pricing power. The rating, however, derives strength from experienced promoter group with strategic and operational expertise, and financial support from reputed private equity investors like Alphawave, Sequoia Capital, Matrix, Accel etc. through regular equity infusions to support the company's expansion plans and funding the losses. The company's asset-light leasing model enables scalable growth and cost flexibility, while its dominant pan-India presence with 51000 beds, positions it to benefit from the positive outlook for the shared living and managed accommodation sector, driven by expanding educational and urban migration trends. Rating also takes into cognizance the company's cost optimisation initiatives, including its decision to exit loss-making cities and curtail corporate overheads resulting in improved profitability and reduction in cash burn over years.

**Analytical approach:** Standalone

**Outlook:** Stable

CARE Ratings Limited (CareEdge Ratings) expects the entity to benefit from experienced promoters, its diversified presence across Indian cities and continuous support from reputed private equity investors.

## Detailed description of key rating drivers

At the time of last rating on September 23, 2025, the following were the rating strengths and weaknesses:

## Key weaknesses

**Sustained losses and cash burn despite growing scale of operations**

Dtwelve Spaces Private Limited (DSPL), incorporated in 2017, has reported sustained growth in scale of operations with revenue increasing from ₹39.77 crore in FY21 to ₹448.37 crore in FY25 (FY refers to April 01 to March 31). Despite improved operational efficiency and a positive PBILDT of ₹150.56 crore in FY25, operational performance was hampered primarily owing to high lease expenses, which are in line with the company's expansion strategy, and the same is reflected in its topline, though this marks a substantial improvement from earlier years. While gross cash accruals have historically been negative, the upward trend signals

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority
[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

early signs of recovery. The ongoing cash burn is currently being supported through regular equity infusions, primarily in the form of compulsorily convertible preference shares (CCPS).

**Leveraged capital structure**
DSPL's capital structure remains highly leveraged, characterised by eroded net worth base primarily driven by sustained net losses over the years. Total debt of the company stood elevated owing to high level of lease liabilities. Further, owing to continued losses, coverage indicators of the company remained weak.

**Competition from unorganised players**
The company is engaged in providing shared accommodations to students and working professionals. The industry is highly competitive, with few organised players such as Colive and Zolo, and a large number of unorganised players including local paying guest accommodations and hostels. Occupancy levels and revenue generation are influenced by the effectiveness of the company's marketing strategy and its pricing competitiveness. However, company's dominant position with 51000 beds and brand recognition provides it with slight competitive edge over other players.

## Key strengths

**Experienced promoters and management team**
The company is promoted by Anindya Dutta and Sandeep Dalmia. Anindya Dutta is an MBA from IIM Ahmedabad and a Gold Medallist from IIT Kharagpur, with extensive experience in investing in global real estate opportunities, including student housing businesses. Prior to his involvement in DSPL, he worked with organisations such as Oaktree Capital, London and Goldman Sachs, London. Sandeep Dalmia is also an alumnus of IIM Ahmedabad. Before co-founding Stanza Living, he spent six years as a Principal at Boston Consulting Group, working across India, the United States, and Southeast Asia. They are responsible for strategic decision-making at DSPL. The management team overseeing day-to-day operations comprises qualified and experienced professionals from the hotel industry.

**Asset-light operating model**
DSPL follows an asset-light model, leasing existing properties, carrying out necessary refurbishment and fit-outs, and offering them as fully managed accommodations for students and working professionals. The company operates under four distinct categories—Scholar (further divided into Scholar Leased and Scholar Managed), Suits, and Studio. The Scholar category primarily caters to students. The Leased model involves direct property management by DSPL, while the Managed model involves partnerships with educational institutions to provide on-campus or near-campus housing solutions. The Suits category targets working professionals and typically involves builder-floor accommodations while the Studio category is a direct-to-consumer offering providing compact, self-contained living spaces. As of now, DSPL manages a total inventory of 51,000 beds across 16 cities, of which 30,000 fall under the Scholar segment (26,000 Leased and 4,000 Managed), 15,000 under Suits, and the balance under Studio.

**Positive outlook for shared living and PG accommodation segment**
The outlook for the shared living and PG accommodation segment remains positive, supported by the continued expansion of India's educational sector, rising urban migration, and the preference among students and young professionals for managed rental solutions. DSPL, operating under the established brand "Stanza Living", is well-positioned to capitalise on this demand, given its pan-India presence with a managed capacity of over 51,000 beds. The company's asset-light operating model, built on long-term lease arrangements with property owners, enables scalable growth while maintaining cost flexibility. DSPL's focus on offering standardised, tech-enabled, and service-rich residential spaces strengthens its market position in a segment expected to witness sustained growth over the medium term.

**Assumptions/Covenants:** Not Applicable

**Environment, social, and governance (ESG) risks:** Not Applicable

## Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Information Adequacy Risk and Issuer Non-Cooperation

Issuer Rating

## About the company and industry

### Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|---|---|---|---|
| Diversified | Diversified | Diversified | Diversified |

Stanza Living is the common brand name for Dtwelve Spaces Private Limited. The company provides fully managed shared living accommodations to students and young professionals. Founded by Mr. Anindya Dutta and Mr. Sandeep Dalmia, the company is present across 16 cities including Delhi, NCR, Bangalore, Hyderabad, Chennai, Coimbatore, Indore, Pune, Baroda, and Dehradun etc. with a capacity of ~51,000 beds as on March 31, 2025.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) |
|---|---|---|
| Total operating income | 583.96 | 448.37 |
| PBILDT* | 165.12 | 150.56 |
| Profit after tax (PAT) | -273.05 | 334.40 |
| Overall gearing (x) | -10.89 | -15.51 |
| Interest coverage (x) | 0.94 | 1.48 |

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

**For complexity level of instruments rated refer to Annexure-1**

**Lender details**: Annexure-4

**Disclosure on facilities/instruments and name of the regulators:**
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

## Annexure-1: Details of instruments/facilities

| Name of the Instrument | Name of the Regulator | Complexity Level | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|---|---|---|---|---|---|---|---|---|
| Issuer Rating-Issuer Ratings | - | - | - | - | - | - | 0.00 | CARE B+; 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 2026-2027 | 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 |
| 1 | Issuer Rating-Issuer Ratings | LT | 0.00 | CARE B+; Stable; ISSUER NOT COOPERATING* | - | 1)CARE BB+; Stable (23-Sep-25) | - | - |

*Issuer did not cooperate; based on best available information.
LT: Long term; ST: Short term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not Applicable

**Annexure-4: Lender details:** Not Applicable

**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**

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