



Press Release
EMBASSY ONE DEVELOPERS PRIVATE LIMITED
January 22, 2025
Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	700.00	ACUITE BB- Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	700.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reaffirmed its long-term rating to 'ACUITE BB-' (read as ACUITE double B minus) on the Rs. 700.00 Cr. bank facilities of Embassy One Developers Private Limited (EODPL). The rating continues to be flagged as “Issuer Not Cooperating” and is based on the best information available. The rating update is on account of the recent approval by The National Company Law Appellate Tribunal (NCLAT) for the merger between Equinox India Developments Limited (Formerly known as Indiabulls Real Estate (IBREL)) and Embassy One Developers Private Limited, part of Embassy Group.

About the Company

Embassy One Developers Private Limited (EODPL) is a SPV, formed in 2007, by Embassy Group and Blackstone. EODPL was incorporated with intent to undertake Embassy One project, Bellary Road, Bangalore. Blackstone holds 55 per cent of the equity share capital and rest is held by Embassy Inn Private Limited.

About the Group

Embassy Group was incorporated in 1993 by Mr. Jitendra Virwani. The group is one of the leading real estate developers. The group has developed 55+ Million Sq. Ft. In its legacy of expertise spanning 25 years, Embassy Group has covered the entire value chain of real estate from land acquisition to the development, marketing and operation of assets. In addition, the Embassy group owns properties in the hospitality segment and is developing industrial parks and warehouses across India. It also has an extensive land bank of 1000+ acres across India. The operation spread across Indian and international markets that include Bangalore, Chennai, Pune, Coimbatore, Trivandrum, Serbia and Malaysia. The group from time to time partners with several established market players Like, Blackstone, Warburg Pincus, Taurus Investments as well as different financial institutions to execute projects.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as “Issuer not-cooperating”, in line with prevailing SEBI regulations and

Acuité's policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

No information provided by the issuer / available for Acuite to comment upon

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	85.56	57.16
PAT	Rs. Cr.	(74.51)	(99.71)
PAT Margin	(%)	(87.08)	(174.44)
Total Debt/Tangible Net Worth	Times	41.81	7.00
PBDIT/Interest	Times	0.05	(0.10)

Status of non-cooperation with previous CRA

Not Applicable

Any other information

The National Company Law Appellate Tribunal (NCLAT) has approved the merger between Equinox India Developments Limited (Formerly known as Indiabulls Real Estate (IBREL)) and Embassy Group, overturning a previous order by the National Company Law Tribunal (NCLT) in Chandigarh that had stalled the merger for 18 months.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- 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>

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. Acuité'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
08 Aug 2024	Term Loan	Long Term	700.00	ACUITE BB- (Downgraded & Issuer not co-operating* from ACUITE BB Stable)
19 May 2023	Term Loan	Long Term	700.00	ACUITE BB Stable (Downgraded from ACUITE BBB- (Rating Watch with Developing Implications))
03 Oct 2022	Term Loan	Long Term	700.00	ACUITE BBB- (Reaffirmed (Rating Watch with Developing Implications))

* The issuer did not co-operate; based on best available information.

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
PNB Housing Finance Limited	Not avl. / Not appl.	Term Loan	19 Sep 2018	Not avl. / Not appl.	19 Sep 2023	700.00	Simple	ACUITE BB- Reaffirmed Issuer not co-operating*

* The issuer did not co-operate; based on best available information.

Contacts

Mohit Jain Senior Vice President-Rating Operations	Contact details exclusively for investors and lenders
Anuja Bele Associate Analyst-Rating Operations	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.

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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.