Press Release
EMBASSY PROPERTY DEVELOPMENTS PRIVATE LIMITED
November 20, 2025
Rating Downgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	2365.00	PP-MLD | ACUITE C | Downgraded	-
Total Outstanding Quantum (Rs. Cr)	2365.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has downgraded its long-term rating to **'PP-MLD ACUITE C' (read as Principal Protected Market Linked Debenture ACUITE C)** from **'PP-MLD ACUITE BB+' (read as Principal Protected Market Linked Debenture ACUITE double B Plus)** on the Rs.2,365.00 Cr. Principal Protected Market Linked Non-Convertible Debentures (NCDs) of Embassy Property Developments Private Limited (EPDPL).

Rationale for the rating

The rating downgrade is primarily driven by delays in servicing loan obligations by EPDPL, as indicated in the CRIF High Mark report.

About the Company

Embassy Property Developments Private Limited (EPDPL) was incorporated in 1996, it is a flagship company of leading real estate Embassy Group, based out of Bangalore. EPDPL is engaged in development of commercial, residential and retail projects. Embassy Group was incorporated in 1993 by Mr. Jitendra Virwani. 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

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of EPDPL to arrive at the rating.

Key Rating Drivers

Strengths

Established presence of Embassy group in the commercial real estate segment
The Embassy group is among the largest commercial real estate developers in the country. EPDPL is engaged in development of commercial, residential and retail projects. The group

has business parks in locations such as Bangalore and Pune, with upcoming projects in Chennai, and Trivandrum. 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 Sponsor owns properties in the hospitality segment. The rating also draws strength from the free cash flow generation from group entities, including the facility management services and common area management companies of the group.

Weaknesses

Instance of past delays in servicing of debt obligations

Instances of delays in servicing loan obligations by EPDPL were established through the CRIF High mark report. The report highlights delays in repayment of debt obligations under a loan facility during August and September 2025, with delays of two days and one day respectively. Acuite has not received any clarification or confirmation regarding these delays from the banker. Furthermore, the No Default statement submitted by the company did not disclose any such delays for the respective months.

ESG Factors Relevant for Rating

EPDPL undertakes multiple CSR activities and has an existing CSR policy. In FY22, the company has supported for implementing holistic health and hygiene program with focus on preventive healthcare, nutrition and sanitation at government schools in Bangalore. Further, Embassy Group is engaged in multiple ESG initiatives including supporting government schools in Bangalore, public spaces clean up in Bangalore, installation of segregated garbage bins in Bangalore CBD, transformation of 101 under fly-over pillars, among others. Additionally, all the projects undertaken by Embassy Group have IGBC Green Gold Certification or higher. Embassy group has an active engagement towards improvising education, sustainable infrastructure, community engagement and corporate connect. The group aims to facilitate students of Government Schools with a safe learning environment for skill development through holistic interventions in Education, Health and Infrastructure. It has supported more than 85 government schools through educational and infrastructure interventions, build around 10 new government schools amongst others. Embassy group drives positive change by providing infrastructure-based solutions with new frontline services for environmental sustainability and community healthcare, it promotes grassroot results to global problems in the communities it is a part of. Embassy group is a proud partner of TAICT's (The Anonymous Indian Charitable Trust) Ecogram Waste Management Project, which aims to catalyse communities to develop and implement strategic infrastructure for sustainable environmental management. It has completed several initiatives of public spaces clean-up, installation of segregated garbage, mobile cancer detection unit amongst others.

Rating Sensitivities

> Timely servicing of all debt obligations

All Covenants

For MLD Facility 1, MLD Facility 4

- Restoration LTV - 1.45x
- Top-up Trigger 1 – Top-up at Security Cover Ratio falling to 1.30x to be restored back to Restoration LTV (1.45x) within 1
- 5 business days
- Top-up Trigger 2 - Top-up at Security Cover Ratio falling to 1.22x to be restored back to Restoration LTV (1.45x) within 3 business days. In case of non-compliance, the lender shall be entitled to deem the occurrence as an EOD and immediately accelerate the facility.
- If the Security Cover Ratio falls to or below 1.2x, then lender shall have right to accelerate the facility and enforce security without any prior notice

For MLD Facility 3

Security Cover Ratio on o/s amount to be assessed as per following security calculation

- Excess of security value from 6Cr REIT Units less 1.25 times the o/s amount in MLD Facility 1 and MLD Facility 4 b)

- Value of 1,66,32,928 units of Embassy Office Parks REIT pledged on 1st ranking basis c)
- Value of IBREL shares

Top-up can be done by pledging additional REIT units, IBREL shares or cash

• Restoration LTV: 1.45x

• Top-up Trigger 1 – Top-up at Security Cover Ratio falling to 1.3x to be restored back to Restoration LTV within 15 business days

• Top-up Trigger 2 - Top-up at Security Cover Ratio falling to 1.22x to be restored back to Restoration LTV (1.45x) within 3 business days. In case of non-compliance, the lender shall be entitled to deem the occurrence as an EOD, and immediately accelerate the facility

• If the Security Cover Ratio falls to or below 1.2x, then lender shall have right to accelerate the facility and enforce security without any prior notice

Other Covenants

- Refinancing of any existing debt including interest due thereon is allowed. No separate permissions required for any security creation for the same.
- Any debt borrowed by any Embassy group entity wherein EPDPL has provided any security (may or may not be backed by CG) shall be considered part of incremental debt covenant
- No change in shareholding of EPDPL and JVHPL, except within the Promoter and his family
- No change in shareholding of REIT Manager
- The Issuer shall provide the Debenture Trustee with compliance certificate, annual audited and half-yearly unaudited financial accounts of EPDPL within a time period agreed upon in the Transaction Documents

Liquidity Position

Poor

Liquidity position of the company is poor as there have been instances of delays in servicing of debt obligations in recent past.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	2668.59	543.07
PAT	Rs. Cr.	1251.32	175.02
PAT Margin	(%)	46.89	32.23
Total Debt/Tangible Net Worth	Times	0.89	1.71
PBDIT/Interest	Times	2.77	1.31

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
14 May 2025	Principal protected market linked debentures	Long Term	1080.00	ACUITE PP-MLD BB+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	650.00	ACUITE PP-MLD BB+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	260.00	ACUITE PP-MLD BB+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	100.00	ACUITE PP-MLD BB+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	275.00	ACUITE PP-MLD BB+ | Stable (Upgraded from ACUITE PP-MLD C)
14 May 2024	Principal protected market linked debentures	Long Term	275.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD B+ | Stable)
	Principal protected market linked debentures	Long Term	1080.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD B+ | Stable)
	Principal protected market linked debentures	Long Term	750.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD B+ | Stable)
	Principal protected market linked debentures	Long Term	260.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD B+ | Stable)
16 May 2023	Principal protected market linked debentures	Long Term	600.00	ACUITE Not Applicable (Withdrawn)
	Principal protected market linked debentures	Long Term	200.00	ACUITE Not Applicable (Withdrawn)
	Proposed principal protected market linked debentures	Long Term	180.00	ACUITE Not Applicable (Withdrawn)
	Proposed principal protected market linked debentures	Long Term	160.00	ACUITE Not Applicable (Withdrawn)
	Principal protected market linked debentures	Long Term	275.00	ACUITE PP-MLD B+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	1080.00	ACUITE PP-MLD B+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	750.00	ACUITE PP-MLD B+ | Stable (Upgraded from ACUITE PP-MLD C)
	Principal protected market linked debentures	Long Term	260.00	ACUITE PP-MLD B+ | Stable (Upgraded from ACUITE PP-MLD C)
13 Dec 2022	Non-Covertible Debentures (NCD)	Long Term	260.00	ACUITE PP-MLD C (Assigned)
	Non-Covertible Debentures (NCD)	Long Term	275.00	ACUITE PP-MLD C (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	1080.00	ACUITE PP-MLD C (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	600.00	ACUITE PP-MLD C (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	200.00	ACUITE PP-MLD C (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	750.00	ACUITE PP-MLD C (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	180.00	ACUITE Provisional PP-MLD C (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	160.00	ACUITE Provisional PP-MLD C (Reaffirmed)
30 Nov	Proposed Non Convertible Debentures	Long Term	180.00	ACUITE Provisional PP-MLD C (Assigned)
	Proposed Non Convertible	Long		

2022	Debentures	Term	420.00	ACUITE Provisional PP-MLD C (Assigned)
11 Nov 2022	Non-Covertible Debentures (NCD)	Long Term	275.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD BB+ | Stable)
	Non-Covertible Debentures (NCD)	Long Term	1080.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD BB+ | Stable)
	Non-Covertible Debentures (NCD)	Long Term	750.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD BB+ | Stable)
	Non-Covertible Debentures (NCD)	Long Term	600.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD BB+ | Stable)
	Non-Covertible Debentures (NCD)	Long Term	200.00	ACUITE PP-MLD C (Downgraded from ACUITE PP-MLD BB+ | Stable)
06 Sep 2022	Non-Covertible Debentures (NCD)	Long Term	2.84	ACUITE BBB- (Reaffirmed & Withdrawn)
	Non-Covertible Debentures (NCD)	Long Term	275.00	ACUITE PP-MLD BB+ | Stable (Downgraded from ACUITE PP-MLD BBB | Negative)
	Non-Covertible Debentures (NCD)	Long Term	1080.00	ACUITE PP-MLD BB+ | Stable (Downgraded from ACUITE PP-MLD BBB | Negative)
	Non-Covertible Debentures (NCD)	Long Term	750.00	ACUITE PP-MLD BB+ | Stable (Downgraded from ACUITE PP-MLD BBB | Negative)
	Non-Covertible Debentures (NCD)	Long Term	600.00	ACUITE PP-MLD BB+ | Stable (Downgraded from ACUITE PP-MLD BBB | Negative)
	Non-Covertible Debentures (NCD)	Long Term	200.00	ACUITE PP-MLD BB+ | Stable (Downgraded from ACUITE PP-MLD BBB | Negative)
02 Aug 2022	Non-Covertible Debentures (NCD)	Long Term	2.84	ACUITE BBB- | Negative (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	275.00	ACUITE PP-MLD BBB | Negative (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	1080.00	ACUITE PP-MLD BBB | Negative (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	600.00	ACUITE PP-MLD BBB | Negative (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	200.00	ACUITE PP-MLD BBB | Negative (Reaffirmed)
	Non-Covertible Debentures (NCD)	Long Term	750.00	ACUITE PP-MLD BBB- | Negative (Reaffirmed)

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	INE003L07069	Principal protected market linked debentures	03 Apr 2020	Not avl. / Not appl.	02 Mar 2030	275.00	Complex	PP-MLD | ACUITE C | Downgraded (from ACUITE PP-MLD BB+)
Not Applicable	INE003L07077	Principal protected market linked debentures	03 Apr 2020	Not avl. / Not appl.	02 Mar 2030	1080.00	Complex	PP-MLD | ACUITE C | Downgraded (from ACUITE PP-MLD BB+)
Not Applicable	INE003L07184	Principal protected market linked debentures	30 Jul 2021	Not avl. / Not appl.	30 Jul 2026	650.00	Complex	PP-MLD | ACUITE C | Downgraded (from ACUITE PP-MLD BB+)
Not Applicable	INE003L07200	Principal protected market linked debentures	09 Dec 2022	Not avl. / Not appl.	07 Dec 2028	260.00	Complex	PP-MLD | ACUITE C | Downgraded (from ACUITE PP-MLD BB+)
Not Applicable	INE003L07184	Principal protected market linked debentures	30 Jul 2021	Not avl. / Not appl.	30 Jul 2026	100.00	Complex	PP-MLD | ACUITE C | Downgraded (from ACUITE PP-MLD BB+)

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