



**Press Release**  
**CENTURY JOINT DEVELOPMENTS PRIVATE LIMITED**  
**August 13, 2025**  
**Rating Upgraded**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	1600.00	ACUITE B-   Stable   Upgraded	-
Total Outstanding Quantum (Rs. Cr)	1600.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has upgraded its long-term rating to '**ACUITE B-**' (read as **ACUITE B minus**) from '**ACUITE C**' (read as **ACUITE C**) on the Rs.1600 Cr. Non-Convertible Debentures (NCD) of Century Joint Developments Private Limited (CJDPL). The outlook is '**Stable**'.

**Rationale for rating**

The rating upgrade takes into account repayment to the previous lenders through refinancing of the NCDs leading to curing of historical delays in April, 2025. The proceeds from these refinanced NCDs were used to repay the previous debt obligations in November, 2024 (Tranche-1) and in March, 2025 (Tranche-2). Further, the refinanced NCDs are secured against a pool of 9 projects being constructed across the Century group. Therefore, the rating remains constrained by high execution risk since ~99% of these project costs is yet to be incurred and the company is significantly dependent on customer collections for funding the cost and servicing of refinanced NCD obligations. Moreover, while liquidity is expected to remain adequate over the medium term with moratorium of cash coupon on the NCDs till Dec'25 and principal repayment till Sept'26, any unforeseen delays in project execution may impact the debt service coverage ratio (DSCR). The rating is strengthened by experience and established track record of Century group in Bangalore's real estate market and ownership of land parcels at multiple locations.

**About the Company**

Century Joint Developments Private Limited (CJDPL) is a part of the Century group based in Bangalore and was established in 2010 as a wholly owned subsidiary of Century Real Estate Holdings Private Limited (CREH). CJDPL is currently engaged in development of various residential projects and commercial projects under its group companies. The company is currently managed by Mr. Vivekananda Nayak and Mr. Mahesh Prabhu. CJDPL has currently issued NCDs of Rs.1,600 Cr which are secured against pool of 9 projects namely- Ethos, Landmark, Silicon City, Downtown T3, Midtown, Vaderapura, Calina, Mysore Land, Meenukunte being constructed across the Century Group.

**About the Group**

Established in 1973, Century Real Estate Holdings Private Limited (CREH) is a leading professional real estate builder and developer based in Bengaluru. The company has over 3,000 acres of land bank and over 20 million sq. ft. of quality residential and commercial assets under construction. Century group has various ongoing projects across Bengaluru offering residential options, from plots and villas to apartments.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuite has considered standalone approach on the business and financial risk profile of Century Joint Developments Private Limited (CJDPL) to arrive at the rating.

**Key Rating Drivers**

## **Strengths**

### **Established track record of operations**

Century Joint Developments Private Limited (CJDPL) is a part of the Century group and a wholly owned subsidiary of Century Real Estate Holdings Private Limited (CREH). With over five decades of leadership

experience in the real estate industry, the group owns land bank of over 3,000 acres and is a reputed player in the city of Bengaluru.

## **Weaknesses**

### **Project execution risk & high dependence on customer advances for debt servicing**

CJDPL has total 9 projects as security collateralised against the refinanced NCDs. Currently, only two project namely 'Ethos' and 'Midtown' have been launched with remaining being under construction and in approval stages, indicating high project execution risk. Simultaneously, post utilization of the balance proceeds from NCD issuance, the project cost funding and debt serviceability is majorly dependent on customer advances. Additionally, as a part of restructuring of the previous NCDs; the company has to deliver an area of 2 lakh sq.ft. from the 'Calina' project in FY29. Hence, project execution, sufficient customer collections and timely servicing of debt obligations will be a key rating monitorable.

### **Susceptibility to real estate cyclicity, regulatory risks and intense competition in the industry**

The real estate industry in India is highly fragmented with most of the real estate developers, having a city specific or region-specific presence. The risks associated with real estate industry are cyclical in nature and directly linked to drop in property prices and interest rate risks, which could affect the operations. Given the high level of financial leverage, the high cost of borrowing prevents the real estate's developers' from significantly reducing prices to boost sales growth. Moreover, the industry is also exposed to certain regulatory risks linked to stamp duty and registration tax directly impacting the demand and thus the operating growth of real estate players.

## **ESG Factors Relevant for Rating**

The group is committed to improving their performance in Environmental, Social, and Governance (ESG) factors through practices in its project development by deploying a zero liquid discharge system, low-flow sanitary fixtures, and curing compounds to reduce water usage. It actively promotes green building standards especially LEED certifications for its projects, uses solar modules, energy-efficient fixtures, and 5-star rated appliances to cut carbon emissions, and tracks pollutants via the GHG Protocol. Further, the group does not engage in forced labour or child labour, and has strict policies in place to prevent such practices. It also promotes diversity & inclusion through its equal opportunity hiring policy that prohibits discrimination based on caste, gender, religion, etc. Moreover, on the governance; the parent company has an internal compliance committee, led by a dedicated compliance officer, responsible for ensuring compliance with all relevant regulations.

## **Rating Sensitivities**

- Timely project completion/execution without any significant cost runs.
- Momentum in sale of units and realisation of its customer advances to service the debt obligations in a timely manner.

## **All Covenants**

- Minimum security cover of 2.5x shall be always maintained.
- Corporate guarantee from Hold Co of all projects and land owning entities.
- Personal guarantee from all sponsors.
- Cash shortfall undertaking from Hold Co and sponsors.

## **Liquidity Position**

### **Adequate**

CJDPL's liquidity is adequate marked by excess of cash balance from NCD proceeds to fund the initial construction of the projects. Further, post refinancing and moratorium of 12 months (from the disbursement of Tranche-1 i.e. November, 2024) on the cash coupon; the DSCR is expected to remain in the range of 2.50-3.00 times over the tenure of debt. Liquidity is expected to further improve post launching of the projects and the company will benefit through the same; which remains a key rating monitorable.

## **Outlook: Stable**

## **Other Factors affecting Rating**

None.

## Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	56.09	84.54
PAT	Rs. Cr.	32.90	(200.81)
PAT Margin	(%)	58.65	(237.54)
Total Debt/Tangible Net Worth	Times	(4.12)	(1.68)
PBDIT/Interest	Times	1.85	0.21

### 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. 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](http://www.acuite.in).

### Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
21 Aug 2024	Proposed Non Convertible Debentures	Long Term	1600.00	ACUITE C (Assigned)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
Not Applicable	INE050R07091	Non-Convertible Debentures (NCD)	26 Nov 2024	10.00	25 Nov 2028	850.00	Simple	ACUITE B-   Stable   Upgraded (from ACUITE C)
Not Applicable	INE050R07109	Non-Convertible Debentures (NCD)	21 Mar 2025	10.00	25 Nov 2028	750.00	Simple	ACUITE B-   Stable   Upgraded (from ACUITE C)

## Contacts

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### About Acuité Ratings & Research

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