Kolte-Patil Developers Limited

October 08, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures	250.00	CARE AA-; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Rating assigned to the long-term instrument of Kolte-Patil Developers Limited (KPDL) derives strength from extensive experience of the developer of over three decades in the real estate industry marked by a track record of development of over 300 lakh square feet (lsf). The rating also factors in the presence of Blackstone Group, holding a significant stake in KPDL, a global real estate investment firm managing assets exceeding $300 billion, whose extensive industry experience and financial strength contribute to KPDL's strategic and operational capabilities.

The rating reflects the healthy booking status for the overall project portfolio at nascent to intermediate stage of execution. The rating derives strength from KPDL's comfortable financial risk profile, characterised by moderate reliance on debt for project development. The company's credit profile is also supported by a strong liquidity position and a significant land bank, which enhances visibility for future project launches in the near-to-medium term.

However, rating strengths remain constrained by execution risk associated with ongoing projects and sizeable development plans in the pipeline, limited geographic presence, and inherent cyclicality associated with the real estate sector.

The company's ability to timely launch planned projects, ramp up collections and maintain a comfortable financial risk profile will remain a key rating monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant growth in overall booking and collections, with meaningful diversification across geographies and improvement in receivable coverage ratio to over 80% on a sustained basis.

Negative factors

- Significant decline in bookings and collections below ₹1800 crore due to lower-than-envisaged sales momentum.
- Considerable decline in the percentage of committed receivables to cover balance project cost and outstanding debt.
- Significant debt addition in ongoing/new projects leading to increase in gross debt/collection beyond 0.80x on a sustained basis.

Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has adopted consolidated approach for analysing KPDL. Subsidiaries/associates/joint ventures (JV) and the parent company, KPDL, have been consolidated being under a common management and having managerial, operational, and financial linkages. Entities whose financials have been consolidated are listed under Annexure 6

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectation that KPDL will sustain healthy sales and collections, supported by upcoming launches and an established market standing, while maintaining a comfortable financial risk profile.

Detailed description of key rating drivers:

Key strengths

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

Strong track record with established brand name in Pune market

The Kolte-Patil group has a strong track record in Pune real estate market. The group has successfully completed over 68 residential and commercial projects across Pune, Mumbai, and Bengaluru, with a total saleable area exceeding 300 lsf as of June 2025. It has established a strong brand presence in the premium and luxury segments. The company primarily focuses on premium housing through its flagship 24K brand, and its large-scale township development, Life Republic, in Pune. As on June 30, 2025, the group's ongoing development portfolio comprises of various projects with a total saleable area over 120 lsf.

Strategic investment by the Blackstone Group

BREP Asia III India Holding Co VII Pte. Limited (Blackstone Group entity) has acquired 40% stake in the company in current fiscal, marking its first significant foray into India's residential real estate market. The acquisition involved a preferential allotment of shares and purchase of shares from the existing promoter group. Blackstone Inc. is one of the world's largest alternative asset managers, founded in 1985 and headquartered in New York City. The firm manages a diversified portfolio across private equity, real estate, credit and insurance, infrastructure, and hedge fund solutions, with total assets under management (AUM) of over US$1.2 trillion as on June 30, 2025. Its real estate business is among the largest globally, with AUM of ~US$325 billion. In India, Blackstone is a leading institutional owner of commercial real estate, valued at ~$22 billion, encompassing over 40 assets across office, retail, logistics, and mixed-use developments.

Comfortable operational efficiency

As on June 30, 2025, the group achieved sales of ~70% of the total revenue potential from its ongoing projects. The company incurred ~32% of the total projected cost. Healthy sales traction at the intermediate stage of construction reflects the company's strong market position. Sustained booking momentum in the last 12 months supported a low inventory level, with only ~11 months required to sell balance unsold units.

Comfortable financial risk profile

The company maintains a comfortable financial risk profile, supported by healthy profitability across ongoing projects and prudent financial management. As on March 31, 2025, the capital structure remains balanced, with a gearing ratio of 1.36x. The gross debt-to-collection ratio stood comfortable at 0.46x in FY25, which is expected to remain below 0.60x in the near term, indicating a comfortable leverage profile.

The company has moderate reliance on construction finance but has diversified its funding by raising 10-year NCDs from Marubeni Corporation and Motilal Oswal, which account for over 40% of total debt as of June 30, 2025. These long-tenure instruments offer repayment flexibility, with collections from earmarked projects utilized for early redemption. The NCDs issued to Marubeni Corporation carry a redemption premium, computed as the excess of actual sale prices over the defined minimum or investor entry price.

For ongoing projects, balance funding requirement is expected to be comfortably met through a mix of customer advances and unutilised external borrowings. However, the company has significant expansion plans in pipeline and its ability to maintain a comfortable leverage profile with such expansion will remain monitorable. As of June 2025, the company had robust liquidity, with liquid balances over ₹800 crore. It has unutilised bank lines exceeding over ₹250 crore as on June 30, 2025, further supplementing its liquidity position.

Availability of sizeable land bank for future projects execution

As on June 30, 2025, the group has sizeable land bank with development potential of over 300 lsf. These land parcels are completely owned by the company and are positioned diversely at prime locations in Pune, Bengaluru, and Mumbai.

Key weaknesses

Execution risk associated with ongoing projects and sizeable development plans

As on June 30, 2025, KPDL is executing multiple projects with an aggregate saleable area of over 120 lsf. Given the significant project launches in recent years, the overall execution remains at an intermediate stage, with a sizeable portion of the project cost yet to be incurred. The balance cost is expected to be largely funded through customer advances. The committed receivables cover ~56% of the balance project cost and consolidated outstanding debt, indicating a moderate dependence on future sales and collections to meet the remaining funding requirements. Furthermore, KPDL's sizeable expansion plans are expected to elevate its execution and marketing risks; hence, its ability to sustain healthy booking momentum and timely collections, particularly during the early to mid-stages of construction, will remain a key monitorable for maintaining execution progress and cash flow visibility.

Limited geographic presence

KPDL's operations remain majorly focused on the Pune region, with a limited presence in other markets such as Mumbai and Bengaluru. Downturn or operational or regulatory challenges in such micro markets may impact developer's revenues going forward. Increased supply from competing developers in these markets may exert pressure on pricing and elevate marketing and inventory liquidation risks.

However, KPDL's strong brand equity, established presence of over 30 years in the Pune market, and demonstrated execution capabilities across residential, commercial, and township segments provide adequate comfort. While the company has taken steps to gradually diversify its presence by entering new markets such as Mumbai and Bengaluru, performance and scalability of these newer geographies remain a key monitorable. In the medium term, the company's ability to successfully expand into other high-potential markets, while maintaining consistent execution will remain monitorable.

Inherent risk associated with execution of large-scale projects amid cyclical real estate industry

The group is exposed to the cyclicality associated with the real estate sector, which has direct linkage with the general macroeconomic scenario, interest rates, and level of disposable income. In case of the real estate companies, profitability depends highly on property markets. A high-interest rate scenario could discourage consumers from borrowing to finance real estate purchases and might depress the real estate market.

Liquidity: Strong

As on June 30, 2025, the company holds liquid balances over ₹400 crore (excluding cash balances earmarked for QIP purposes). The company has receivables from sold inventory over ₹2,200 crore, which provides cash flow visibility in the near term and partially covers balance project cost and outstanding debt. These cash flows are expected to remain comfortable to service its upcoming debt obligations.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks

CareEdge Ratings believes that KPDL's environment, social, and governance (ESG) profile supports its credit risk profile. Activities in the real estate sector have an adverse impact on environmental and social aspects, considering high emission levels, waste generation, climate change, high labour intensity, and related safety issues. The group has ongoing focus on managing its environmental and social risks.

Key highlights of ESG initiatives are as below:

- The company is designing and upgrading environment friendly buildings. KPDL and its contractors endeavour to provide safe and healthy working environment to workers at construction sites, including training to improve capabilities of the local work force. The company also conducts safety audits.
- The company uses measures to reduce waste of resources and conservation of technology, which includes solar generators, advanced rainwater harvesting system, organic waste converters, water recycling and horticulture among others.
- The company's comprehensive policies and management promote business ethics, accountability, and transparency. This contributes to integrity, responsible practices, and enhances trust among stakeholders.

Applicable criteria

Definition of Default
Consolidation
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Factoring Linkages Parent Sub JV Group
Financial Ratios – Non financial Sector
Rating methodology for Real estate sector

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Incorporated in 1991, KPDL (CIN: L45200PN1991PLC129428; market cap: ₹3,823 crore as on October 01, 2025) has successfully delivered 68 projects, including gated communities, residential complexes, integrated townships, mixed-use developments, IT parks, and commercial complexes, aggregating over 300 lsf of saleable area across these cities. With over three decades of experience, the company has a strong presence across Pune, with expanding operations in Mumbai and Bengaluru. KPDL caters to diverse customer segments through two distinct brands: Kolte-Patil, targeting mid-premium and premium housing markets, and 24K, focused on premium luxury living. Recently, Blackstone - a global investment firm - acquired a 40% stake in KPDL, marking its first significant foray into India's residential real estate market.

Consolidated

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	1371.48	1717.38	82.36
PBILDT	152.05	296.01	-11.50
PAT	-67.48	109.32	-16.88
Overall gearing (times)	1.48	1.36	NA
Interest coverage (times)	0.80	1.95	NA

A: Audited; UA: Unaudited; NA: Not Available; Note: 'these are latest available financial results and classified as per CareEdge Ratings' internal standard'

Standalone

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	580.94	1080.47	51.19
PBILDT	10.17	202.81	-9.88
PAT	-71.26	68.62	-20.50
Overall gearing (times)	1.43	1.53	NA
Interest coverage (times)	0.08	1.26	NA

A: Audited; UA: Unaudited; NA: Not Available; Note: 'these are latest available financial results and classified as per CareEdge Ratings' internal standard'

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures - Non-Convertible Debentures*	-	-	0	-*	250.00	CARE AA-; Stable

*The Instrument is proposed with tenor of 10 years.

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	Debentures-Non Convertible Debentures	LT	250.00	CARE AA-; Stable				

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	Debentures-Non Convertible Debentures	Complex

Annexure-5: Lender details: Not applicable

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Kolte-Patil Integrated Townships Limited	Full	Wholly owned subsidiary
2	Kolte-Patil Homes (Dissolved on March 31, 2025)	Full	Wholly owned subsidiary
3	Kolte-Patil Real Estate Private Limited	Full	Wholly owned subsidiary
4	Regenesis Facility Management Company Private Limited	Full	Wholly owned subsidiary
5	Snowflower Properties Private Limited	Moderate	Joint Venture
6	Kolte-Patil Properties Private Limited	Full	Wholly owned subsidiary
7	Sylvan Acres Realty Private Limited	Full	Wholly owned subsidiary
8	Ankit Enterprises	Full	Subsidiary
9	KP-Rachana Real Estate LLP	Full	Subsidiary
10	Bouvardia Developers LLP	Full	Wholly owned subsidiary
11	Carnation Landmarks LLP	Full	Subsidiary
12	KP-SK Project Management LLP	Full	Subsidiary
13	Regenesis Project Management LLP	Full	Subsidiary
14	Bluebell Township Facility Management LLP	Full	Wholly owned subsidiary
15	Kolte-Patil Lifespaces Private Limited	Full	Wholly owned subsidiary
16	KPE Private Limited	Full	Wholly owned subsidiary
17	Kolte Patil infratech DMCC	Full	Wholly owned subsidiary
18	Kolte-Patil Services Private Limited	Full	Wholly owned subsidiary
19	Kolte-Patil Foundation	Full	Wholly owned subsidiary
20	Kolte-Patil Planet Real Estate Private Limited	Moderate	Joint Venture
21	Green Olive Venture (Association of persons)	Full	Wholly owned subsidiary
22	Corolla Gulmohar (Association of persons)	Full	Wholly owned subsidiary
23	Amco Landmarks Realty	Moderate	Joint Venture
24	Kolte-Patil Realtors Estate Private Limited	Full	Wholly owned subsidiary
25	Kolte-Patil Planet Kiwale Project Private Limited	Moderate	Joint Venture
26	Ayaan Vihan Land Development	Moderate	Joint Venture
27	Kolte-Patil Nivasti Developers & Builders LLP (formerly known as Nivasti Developers and Builders LLP)	Moderate	Joint Venture
28	Custard Real Estate Private Limited (on May 13,2023)	Full	Wholly owned subsidiary
29	Kolte-Patil Housing Mumbai Private Limited (formerly known as Vistacon Projects Private Limited) (on August 31, 2023)	Full	Wholly owned subsidiary
30	Kolte-Patil Nivasti Projects LLP (formerly known as Castle Avenues Realty LLP) (on May 08, 2023)	Full	Subsidiary
31	Kolte-Patil Mumbai Projects LLP (on February 14,2024)	Full	Wholly owned subsidiary
32	Kolte-Patil Developers (Pune) LLP (on February 14, 2024)	Full	Wholly owned subsidiary
33	Suncity N&N infastructures LLP (on May 15, 2023)	Full	Subsidiary
34	Kolte-Patil Smart Spaces Private Limited (formerly known as Kolte-Patil Columbia Pacific Senior Living Private Limited)	Full	Wholly owned subsidiary

Note: Above entities are consolidated as on March 31, 2025.

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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About us:
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