Vypak Properties Private Limited (Revised)

January 07, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Non-convertible debentures	148.00 (Reduced from 155.00)	CARE BBB+; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of the rating assigned to the debt instrument of Vypak Properties Private Limited (VPPL) derives comfort from the experienced management in real estate industry, financial closure achieved of the project and strategic location of the project.

However, rating strengths are partially offset by significant project execution and marketing risk. The company is also exposed to inherent cyclicality associated with the real estate sector.

CARE Ratings Limited (CareEdge Ratings) notes that non-convertible debentures (NCDs) subscribed by institutional investor, shall be repaid from surplus funds (if available) and will subordinated to construction finance loans.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Satisfactory progress in the project without cost overruns.
- Healthy booking and collection against envisaged collection on a sustained basis.

Negative factors

- Significant time or cost over-run in project completion.
- Any delay in the timely realisation of collections, thereby impacting the cash flows.
- Deterioration in the credit risk profile of the parent or substantial decline in direct/indirect shareholding resulting into weakening of linkages between VPPL and its parent Birla Estates Private Limited (BEPL).

Analytical approach: Standalone

CareEdge Ratings has further factored in support from BEPL, for arriving at VPPL's rating.

Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectation of timely execution of project, considering promoters' industry experience.

Detailed description of key rating drivers:

Key strengths

Experienced promoters

VPPL is a wholly owned subsidiary of BEPL (rated CARE AA; Stable/CARE A1+), which is a wholly owned subsidiary of Aditya Birla Real Estate Limited (ABREL; formerly known as Century Textiles and Industries Limited; rated 'CARE AA; Stable/CARE A1+'). BEPL and ABREL are part of the Aditya Birla Group, headed by Kumar Mangalam Birla. Being a wholly owned subsidiary of BEPL, VPPL enjoys financial and operational linkages with the parent. CARE Ratings understands that BEPL will infuse funds for need-based support. Apart from financial support, BEPL also lends managerial expertise to VPPL by having its own board members present on VPPL's board. BEPL is led by K. T. Jithendran, who has over 26 years of experience in the real estate sector, and seasoned Chief Finance Officer (CFO), Keyur Shah, having a total experience of 30 years including over 20 years in real estate.

Strategic location

VPPL plans to develop a residential project at Pune having 31 lakh square feet (lsf) saleable area. The project is strategically with excellent connectivity to key areas of the city. Situated near major highways and public transportation hubs, it ensures easy access to commercial centres, educational institutions, and healthcare facilities. The property's proximity to vibrant shopping districts and recreational spots further enhances its appeal, making it an ideal choice for modern urban living.

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

Financial closure achieved for the project
IFC has infused funds in H1FY26 in the form of NCDs of ₹148 crore. The NCD will be for 20 years at fixed coupon of 8% with payable when able structure. The NCD will be for 20 years at fixed coupon of 8% with 'payable when able' structure.

Key weaknesses

Project execution and marketing risk:
The company is planning to develop a residential project in Pune having potential saleable area of over 31 lsf. The project land is owned by VPPL. The project will be funded with the mix of different forms of debentures, construction finance from bank and customer advances/payments. The project is expected to be launched in the near term. CareEdge Ratings observes that considering the nascent stage, the company is exposed to project execution and market risk. However, promoter's experience in real estate projects mitigates the risk to some extent.

Inherent risk associated with cyclicality of the real estate industry
The company is exposed to cyclicality associated with the real estate sector, which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. In case of real estate companies, profitability highly depends on property markets. A high-interest rate scenario could further discourage consumers from borrowing to finance real estate purchases and might depress the real estate market. This could adversely impact cash flow, and hence, remains monitorable.

Liquidity: Adequate
There are no debt commitments in the near term as the project is at nascent stage. Debt obligations are expected to be met through sale of residential property proposed on the land. Comfort is drawn from the company being part of the Aditya Birla Group, which aids to its financial flexibility. NCDs may be repaid from surplus funds, if available.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Definition of Default
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
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 on April 30, 2024, VPPL (U68100MH2024PTC424443) is a wholly owned subsidiary of BEPL, which is a wholly owned subsidiary of ABREL (formerly known as Century Textiles and Industries Limited). EPPL plans to develop a residential project in Pune.

Brief Financials (₹ crore)	March 31, 2025 (A)
Total operating income	0.00
PBILDT*	-0.15
Profit after tax (PAT)	-0.15
Overall gearing (x)	NM
Interest coverage (x)	NM

A: Audited, FY25 is the first year of operation; NM: Not Meaningful; 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

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	INE12O508023	03-Jul-2025	8	03-07-2045	148.00*	CARE BBB+; Stable

*Subscribed amount

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	148.00	CARE BBB+; Stable	-	1)CARE BBB+; Stable (24-Mar-25)	-	-

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: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Complex

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

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.

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