Vypak Properties Private Limited

October 09, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Non-convertible debentures	SEBI	148.00	CARE A-; Stable	Upgraded from CARE BBB+; Stable

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in the rating assigned to the non-convertible debenture (NCD) issue of Vypak Properties Private Limited (VPPL) derives strength from being part of Aditya Birla Group, experienced management team, healthy sales momentum demonstrated post-launch, and the project's strategic location in Pune, which supports its marketability and demand prospects.

The project was launched in Q4FY26 and has demonstrated strong initial market acceptance, with 4.51 lakh sq. ft. (lsf) sold out of 10.25 lsf launched, translating into a healthy sales velocity of 44% within a few months of launch.

Aditya Birla Real Estate Limited (ABREL; rated 'CARE AA; Positive/CARE A1+'; includes projects housed under ABREL and its special purpose vehicle (SPV), herein referred to as group) sold 54.98 lsf in FY26 compared to ~51 lsf in FY25, registering year-on-year (y-o-y) growth of ~8%. Pre-sales remained stable at ₹8,136.3 crore in FY26 compared to ₹8,087 crore in FY25, while collections improved to ₹3,341 crore from ₹2,706 crore during the same period.

The group has been achieving booking of ₹8,000 crore since last two year consistently compared to ~₹4,000 crore in FY24, with collections also improving consistently to ₹3,341 crore in FY26 from ~₹1,323 crore in FY24. CARE Ratings Limited (CareEdge Ratings) estimates collection to improve and sustain ~₹4,000 crore level in the medium term, backed by new launches and sustained sales from unsold inventory.

However, these rating strengths are partially constrained by execution and marketing risks associated with ongoing large-scale residential development project and inherent cyclicality of the real estate sector. Timely project execution, achievement of envisaged sales and collections, and the company's ability to avoid cost overruns remain key monitorables.

CareEdge Ratings notes that the rated NCDs are structured on a payable-when-able basis and are subordinated to any construction finance facilities that may be availed by the company.

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, marked by committed receivable coverage ratio of over 70% on a sustained basis.
- Improvement in credit profile of the parent, BEPL.

Negative factors

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

Analytical approach: Standalone

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

Outlook: Stable

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.
[2]Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Stable outlook reflects expectations of timely project execution, supported by a strong brand name, and financial flexibility from being part of a large group.

Detailed description of key rating drivers

Key strengths

Experienced promoters and professional management

VPPL is a wholly owned subsidiary of BEPL (rated CARE AA; Positive/CARE A1+), which is a wholly owned subsidiary of ABREL (formerly known as Century Textiles and Industries Limited;). 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. CareEdge Ratings factors in need-based support from BEPL. Apart from financial support, BEPL also lends managerial expertise to VPPL by having its own board members present on VPPL's board. BEPL is managed by a team of professionals with K. T. Jithendran as Chief Executive Officer (CEO), who has over 26 years of experience in the real estate sector.

Healthy sales momentum

The project was launched in Q4FY26 and has demonstrated strong initial market acceptance, with 4.51 lsf sold, of 10.25 lsf. launched, translating into a healthy sales velocity of 44% within a few months of launch. The healthy sales traction underscores the established brand name of 'Birla'.

Strategic location

VPPL is developing a residential project, 'Birla Evam' at Manjari, Pune having 31 lsf saleable area. The project is strategically located 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.

Key weaknesses

Project execution and marketing risk

The company is developing a residential project in Pune with a potential saleable area of over 31 lsf. The project land is owned by VPPL and is funded through a mix of debentures and customer advances. As the project is at a relatively early stage of construction, it is exposed to project execution and market risks. Risks are partly mitigated by promoters' established track record in real estate development and the engagement of reputed Grade-A project management and construction contractors, such as S&P, JMC, and Ahluwalia.

The project expenditure of ~₹326 crore has already been incurred, representing ~13% of the total estimated project cost. The extent of expenditure incurred indicates satisfactory progress in project development and is broadly aligned with the current stage of execution.

Inherent risk associated with cyclicality of the real estate industry

The company remains exposed to the inherent cyclicality of the real estate sector, which is closely linked to macroeconomic conditions, interest rates, and disposable income levels. Profitability in the sector highly depends on property market dynamics. An increase in interest rates could discourage homebuyers from availing loans, impacting demand and sales. Going forward, real estate demand will be influenced by economic recovery, interest rate movements, and consumer confidence. Improvement in employment levels will also play a critical role in sustaining demand.

CareEdge Ratings' expects real estate demand to remain sensitive to interest rate trends and macroeconomic conditions in the near term, which could impact sales momentum and cash flows.

Liquidity: Adequate

As on March 31, 2026, the company maintained cash and cash equivalents of ₹36.32 crore, including a Real Estate Regulatory Authority (RERA) balance of ₹4.62 crore. There are no debt commitments in the near term as the project is at nascent stage. The payable when able structure associated with the NCDs, provides sufficient cushion, as the redemption is spread over longer tenure. Comfort is drawn from the company being part of the Aditya Birla Group, which aids to its financial flexibility.

Assumptions/Covenants: Not applicable

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

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Factoring Linkages Parent Sub JV Group
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 as 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). The company is developing a residential project at Manjri, Pune, having 31.28 lsf saleable area.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	0.00	0.03
PBILDT*	-0.15	-16.54
Profit after tax (PAT)	-0.15	-17.71
Overall gearing (x)	NM	NM
Interest coverage (x)	0.00	0.00

A: Audited; 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

For complexity level of instruments rated refer to Annexure-1.

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non Convertible Debentures	SEBI	Complex	INE12O508023	03-Jul-2025	8	03-Jul-2045	148.00	CARE A-; Stable

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 2026-2027	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
1	Debentures-Non Convertible Debentures	LT	148.00	CARE A-; Stable	-	1)CARE BBB+; Stable (07-Jan-26)	1)CARE BBB+; Stable (24-Mar-25)	-

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: 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.

Contact us

Media Contact	**Analytical Contacts**
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Divyesh Bharat Shah Director **CARE Ratings Limited** Phone: +91-020-4000-9069 E-mail: divyesh.shah@careedge.in
Relationship Contact Saikat Roy Senior Director **CARE Ratings Limited** Phone: +91-22-6754-3404 E-mail: saikat.roy@careedge.in	Sonal Bhageria Associate Director **CARE Ratings Limited** Phone: +91-120-4452000 E-mail: Sonal.Bhageria@careedge.in Palak Porwal Analyst **CARE Ratings Limited** E-mail: Palak.Porwal@careedge.in

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

For detailed Rating Report and subscription information, please visit www.careratings.com