February 08, 2024

Cessna Garden Developers Private Limited: Change in limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based – Term Loan	2,530.00	2,530.00	[ICRA]A- (Stable); rating outstanding
Long term – Overdraft^	-	(200.00)	[ICRA]A- (Stable); rating outstanding
Total	**2,530.00**	**2,530.00**	

**Instrument details are provided in Annexure I; ^ sub-limit of existing term loan of Rs. 2,000 crore*

Rationale

This rationale is being released to convey the change in the lender wise facilities of the rated limits, based on the latest information received from the entity.

The key rating drivers, liquidity position and rating sensitivities for the outstanding ratings for the bank facilities is available in the previous detailed rating rationale at the following link: Click here

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty – Lease Rental Discounting (LRD)
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

CGDPL, a Blackstone Group company, is a commercial real estate company that operates Cessna Business Park, an SEZ park located on Outer Ring Road East in Bengaluru. The Blackstone Group acquired 85% stake of CGDPL from the Prestige Group in March 2021. Cessna Business Park has 11 office buildings, totalling to a leasable area of 4.2 mn sq ft with eight buildings leased entirely to Cisco and the remaining three buildings leased to multiple tenants. CGDPL also owns a hotel in the same premise, which is operated under the brand of Aloft Hotels.

Key financial indicators (audited)

Standalone	FY2021	FY2022	FY2023
Operating income	321.0	341.9	395.6
PAT	71.6	10.7	38.5
OPBDIT/OI	87.6%	83.6%	81.8%
PAT/OI	22.3%	3.1%	9.7%
Total outside liabilities/Tangible net worth (times)	-2.1	-2.1	-2.0
Total debt/OPBDIT (times)	8.9	8.5	7.3
Interest coverage (times)	1.4	1.5	1.8

Source: Company financials; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore.
All ratios as per ICRA's calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument		Current rating (FY2024)				Chronology of rating history for the past 3 years					
		Type	Amount rated (Rs. crore)	Amount outstanding as on Mar 31, 2023 (Rs. crore)	Date & rating in FY2024		Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021		
					Feb 08, 2024	Jun 20, 2023	Apr 29, 2022	-	Mar 31, 2021	Mar 08, 2021	May 04, 2020
1	Term loans	Long term	2,530.00	2,357.8	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	-	[ICRA]A- (Stable)	[ICRA]A+ (CE)&	[ICRA]A+ (CE) (Stable)
2	Overdraft	Long term	(200.00)^	-	[ICRA]A- (Stable)	-	-	-	-	-	-

^sub-limit of existing term loan of Rs. 2,000 crore; &-rating watch with developing implications

Complexity level of the rated instruments

Instrument	Complexity Indicator
Term loans	Simple
Overdraft	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity^	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	**Term loan I**	Jan 2020	NA	Jan 2035	2,000.0	[ICRA]A- (Stable)
NA	**Term loan II**	Jan 2021	NA	Mar 2035	380.0	[ICRA]A- (Stable)
NA	**Term loan III**	Dec 2017	NA	Apr 2030	150.0	[ICRA]A- (Stable)
NA	**Overdraft***	Jul 2023	NA	Jan 2035	(200.0)	[ICRA]A- (Stable)

*Source: Company; ^ As per sanction letter; *sub-limit of Term loan I of Rs. 2,000 crore*

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis – Not Applicable

ANALYST CONTACTS

Rajeshwar Burla
+91 040 6939 6443
rajeshwar.burla@icraindia.com

Anupama Reddy
+91 040 6939 6427
anupama.reddy@icraindia.com

Tushar Bharambe
+91 22 6169 3347
tushar.bharambe@icraindia.com

Chintan Chheda
+91 22 6169 3363
chintan.chheda@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches