

January 16, 2025

Prestige Acres Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper	273.00	273.00	[ICRA]A1 (CE); Withdrawn
Total	273.00	273.00	

* Instrument details are provided in Annexure-I

Rating Without Explicit Credit Enhancement	[ICRA]A3+
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Rationale

ICRA has withdrawn the rating assigned to the commercial paper programme of Prestige Acres Private Limited (PAPL) on the company's request and based on the No Dues Certificate received, in accordance with ICRA's policy on withdrawal of ratings.

The key rating drivers, liquidity position, key financial indicators and rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty – Lease Rental Discounting (LRD) Realty – Commercial/Residential/Retail Policy on Withdrawal of Credit Ratings
Parent/Group support	Parent: Prestige Estates Projects Limited The rating assigned to PAPL factors in the high likelihood of its parent, PEPL (rated [ICRA]A+ (Stable)/ [ICRA]A1), extending financial support to it because of close business linkages between them, PAPL's strategic importance for the parent and the parent's reputation sensitivity to default. Moreover, PEPL has provided corporate guarantee to the borrowing programme of PAPL.
Consolidation/Standalone	The rating is based on the consolidated financial statements of PAPL including its wholly owned subsidiary, Ace Realty Ventures.

About the company

Prestige Acres Private Limited (PAPL), is a private limited company, which was incorporated in 2021. The company is owned by Prestige Estate Private Limited (51% holdings) and Pinnacle Investments (49%). PAPL plans to develop a mixed-use project (mix of residential apartments, villas and plots) on land parcels aggregating to 325 acres across Bengaluru and Goa. Also, it is planning to launch a residential project at Jijamata Nagar, Mumbai. PAPL has 100% holding in Ace Reality Ventures (ARV), which undertakes construction and development of plotted development across Bettenahalli, Bengaluru. ARV has completed the residential plot project Prestige Marigold Phase 1 of 1.17 million square feet (msf). Further, the company plans to launch another plotted project – Marigold Phase 3, of 1.52 msf, by March 2025.

About the guarantor

Prestige Estates Private Limited (PEPL) is the flagship company of the Prestige Group. It started operations as Prestige Estates and Properties, a partnership firm, in 1986. It was subsequently converted into a private limited company in 1997 and into a public company in 2009. The company is promoted by Mr. Irfan Razack and his brothers, who together hold 60.94% of the shares. The remaining shares are held by institutional investors and other public shareholders, as on September 30, 2024.

Prestige has over 36+ years of experience in real estate development and is one of the leading real estate developers in South India. It has completed 300 real estate projects, with a developable area of close to 190 msf. It has developed a diversified portfolio of real estate projects focusing on residential, commercial, hospitality and retail segments. Besides, Prestige offers a variety of services such as property management services, sub-leasing and fit-out services. It has 57 ongoing projects across segments, with a total developable area of around 99 msf as on Sept 30, 2024.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current (FY2025)		Chronology of rating history for the past 3 years						
		Amount Rated (Rs. crore)	FY2025		FY2024		FY2023		FY2022	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Commercial papers	Short term	273.00	January 16, 2025	[ICRA]A1 (CE); Withdrawn	January 08, 2024	[ICRA]A1 (CE)	-	-	-	-
			-	-	December 21, 2023	Provisional [ICRA]A1 (CE)	-	-	-	-
Commercial papers	Short term	-	-	-	January 08, 2024	[ICRA]A1 (CE); Withdrawn	March 24, 2023	Provisional [ICRA]A1 (CE)	-	-
			-	-	December 21, 2023	[ICRA]A1 (CE)	-	-	-	-
			-	-	April 05, 2023	[ICRA]A1 (CE)	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Commercial papers	Very 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
INE0LWN14025	Commercial papers	December 28, 2023	NA	March 27, 2024	273.00	[ICRA]A1 (CE); Withdrawn

Source: Company data

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Ace Reality Ventures	100.00%	Full Consolidation

Source: Company data

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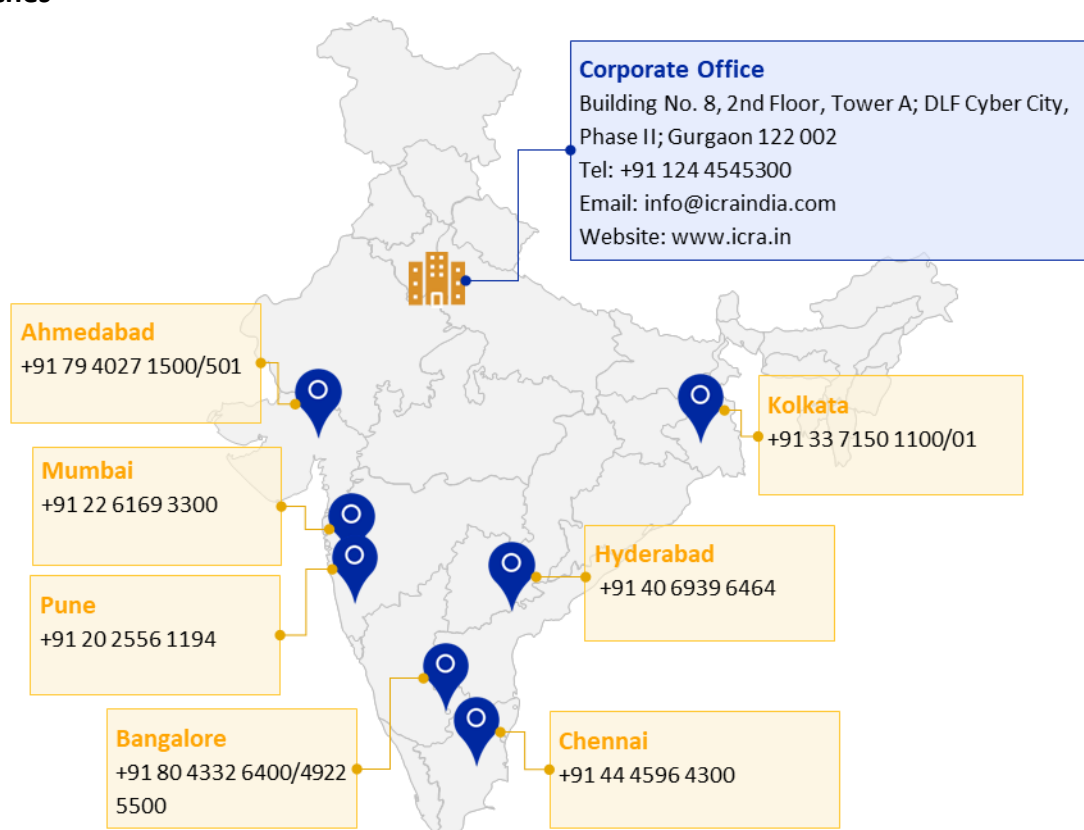
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