

February 03, 2026

Eastside Business Park Private Limited: [ICRA]BBB (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	308.00	[ICRA]BBB (Stable) assigned
Total	308.00	

*Instrument details are provided in Annexure I

Rationale

The assigned rating for Eastside Business Parks Private Limited (EBPPL) factors in the healthy occupancy (100%) of the ‘Panchshil Avenue’ project, favourable location and adequate leverage metrics, which is expected to sustain in the medium term. EBPPL has developed a commercial building with a total leasable area of 0.4 million square feet (msf) at Kalyani Nagar, Pune, which is an upcoming commercial office micromarket. The asset is fully operational as of December 2025. The leverage, as measured by total external debt/annualised net operating income (NOI), is estimated to remain adequate at 6.1 – 6.3 times as of March 2026. The rating draws comfort from the strong financial flexibility and established track record of the Panchshil Group, which has delivered ~35 msf of real estate projects and another ~43 msf is under development across multiple asset classes (residential, office, hotels and convention centres).

The rating is, however, constrained by EBPPL’s exposure to high tenant concentration risk with a single tenant occupying the entire asset. Any significant weakening in the credit profile or business operations of the tenant, resulting in material reduction in occupancy, may adversely impact EBPPL’s operational cash flows. Nonetheless, the risk is partially offset by the reputed tenant profile and track record of timely rental payment by the tenant in other Panchshil assets. The debt coverage metrics remain moderate with five-year average DSCR of 1.10 – 1.13 times (FY2026-FY2030). The rating notes the vulnerability of the debt coverage ratios to factors such as changes in interest rate or material reduction in occupancy levels. The company is also exposed to high geographical and asset concentration risk inherent in a single project portfolio.

The Stable outlook on the rating reflects ICRA’s opinion that the company will benefit from the favourable location of the project and healthy occupancy levels, which will result in steady rental revenues and adequate leverage levels.

Key rating drivers and their description

Credit strengths

Healthy occupancy levels and adequate leverage – EBPPL has developed a project named ‘Panchshil Avenue’, with a total leasable area of 0.4 msf. The project is fully leased with 100% occupancy as of December 2025. The leverage, as measured by total external debt/annualised NOI, is estimated to remain adequate at 6.1 – 6.3 times as of March 2026.

Favourable project location – The project is located in Kalyani Nagar, Pune, which is an upcoming commercial office micromarket with good connectivity (~4 km away from Pune airport and ~7 km away from Pune railway station) and socio-civic infrastructure. Further, the Kalyani Nagar metro station is at a distance of 100 metre from the project. The project is conveniently accessible from Pune’s prime locations such as Koregaon Park and Viman Nagar, thus, supporting the healthy occupancy levels.

Established track record of promoter in managing commercial real estate assets – EBPPL is 50:50 JV between the Pune-based Panchshil Group and M/s Riverside Spaces LLP, which is held by the promoter family of Desai Brothers Limited (DBL rated [ICRA]A+ (Stable)). The project is primarily managed by the Panchshil Group. The Panchshil Group has delivered ~35 msf of real estate projects and another 43 msf is under development across multiple asset classes (residential, office, retail, hotels

and convention centres). The strong promoter group and their demonstrated track record in real estate development lend financial flexibility to EBPPL.

Credit challenges

High tenant concentration risk – The entire project is leased out to a single tenant, thus, exposing the company to high tenant concentration risk. Any significant weakening in the credit profile or business operations of the tenant, resulting in material reduction in occupancy, may adversely impact EBPPL’s operational cash flows. Nonetheless, the risk is partially offset by the reputed tenant profile and track record of timely rental payment by the tenant in other Panchshil assets.

Moderate debt coverage metrics – The debt coverage metrics remain moderate with five-year average DSCR of 1.10 – 1.13 times (FY2026-FY2030). The debt coverage ratios remain vulnerable to factors such as changes in interest rate or material reduction in occupancy levels, which will remain a key monitorable.

Geographical and asset concentration risks – The company is exposed to high geographical and asset concentrations risks inherent in a single project portfolio.

Liquidity position: Adequate

The liquidity position remains adequate. It has a debt repayment obligation of Rs. 8.3 crore in FY2026 and Rs. 17.7 crore in FY2027, which can be adequately serviced through its estimated cash flow from operations.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if there is significant increase in rentals while sustaining high occupancy levels, resulting in improvement in debt protection metrics and liquidity position on a sustained basis. Specific credit metric that could lead to a rating upgrade is five-year average DSCR above 1.20 times on a sustained basis.

Negative factors – Pressure on the ratings could be exerted with a material decline in occupancy or rent rates or a significant increase in indebtedness resulting in weakening of debt protection metrics on a sustained basis.

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

Eastside Business Park Private Limited (EBPPL) has developed a commercial office project, named Panchshil Avenue, at Kalyani Nagar in Pune with total leasable area of 0.4 msf. The project was completed in phases from October 2024 and remains fully occupied as on date. The Panchshil Group holds 50% stake in EBPPPL, while the balance 50% is held by M/s Riverside Spaces LLP, which is held by the promoter family of Desai Brothers Limited.

Key financial indicators (audited)

EBPPL - Standalone	FY2024	FY2025
Operating income	-	7.0
PAT	-1.0	-30.3
OPBDITA/OI (%)	-	68.2%
PAT/OI (%)	-	-436.4%
Total outside liabilities/Tangible net worth (times)	6.5	22.8
Total debt/OPBDITA (times)	-1,013.7	69.2
Interest coverage (times)	-179.5	0.3

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instruments	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Feb 03, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Term loan	Long term	308.00	[ICRA]BBB (Stable)	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	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	Long-term – Fund-based – Term loan	FY2022	NA	FY2036	308.00	[ICRA]BBB (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

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

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