

June 3, 2026

## Vatika One on One Private Limited: [ICRA]C; Assigned

### Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Non-Convertible Debentures^	175.00	[ICRA]C; Assigned
<b>Total</b>	<b>175.00</b>	

\*Instrument details are provided in Annexure II ^Proposed

### Rationale

The rating assigned reflects weak coverage metrics of Vatika One on One Private Limited (VOOPL), owing to sizable repayment obligations in the current fiscal as against modest cashflows from operations. VOOPL is expected to meet the interim cashflow shortfall through surplus from group company – Vatika Sovereign Park Private Limited (VSPPL). In the past, the company had reported delays in debt repayment of the construction finance loan on account of termination of Agreement to lease from a major tenant for Phase 1 of Vatika One on One project in the past; which have been regularised majorly out of debt raised from EAAA India Alternatives Limited. The company is exposed to market risk for Phase 2 – Tower 1B with 27% of the area yet to be leased/LOI to be signed. Further, the tenant concentration risk is high with top two tenants constituting 100% of the leased area. ICRA further notes the execution and market risks for Phase 2 – Tower 1A as the same is at nascent stage of construction with no preleasing as of April 2026.

ICRA takes note of the attractive location of the project, which is expected to support the leasing of the project. VOOPL has 3 phases with Phase 1 and Phase 2 – Tower 1B completed, Phase 2 – Tower 1A is under construction and the construction is yet to commence for Phase 3. In Phase 1, the entire area has been leased out to a tenant, but the company holds only 4% of this leasable area and remaining has been sold to strata investors. The company has entered into Letter of intent (LOI) with Ericsson India Private Limited for 73% of operational leasable area of Phase 2 – Tower 1B of the asset as of April 2026.

### Key rating drivers and their description

#### Credit strengths

**Attractive location of the property** – The asset is located in Sector 16, Gurugram, along the Delhi–Jaipur National Highway (NH-48), right across the Westin Hotels, offering excellent regional and intra-city connectivity. The asset is situated near the Delhi–Gurugram border, providing seamless access to South Delhi, key commercial nodes of Gurugram (such as DLF Cyber City and Udyog Vihar), and the Indira Gandhi International Airport. Its proximity to major arterial roads, metro connectivity (IFFCO Chowk/Yellow Line corridor), and established residential and commercial catchments is expected to support the leasing of the project.

#### Credit challenges

**High tenant concentration risk and Exposure to project execution and market risk** – The company is exposed to market risk for Phase 2 – Tower 1B with 27% of the area yet to be leased/LOI to be signed. Further, the company is exposed to high execution risk for Phase 2 – Tower 1A as the same is at nascent stage of construction as of March 2026 and construction progress to pick up starting FY2027, with targeted completion by Q3 of FY2030. The funding risk for the same is low due to tie up of construction finance facility with EAAA India Alternatives Limited (part of Edelweiss group) for majority of the project cost. The asset is also exposed to high market risk due to no preleasing tie ups as of April 31, 2026. The ability to tie up leases

at adequate rent rates will remain important from the credit perspective. Moreover, the top two tenants being Air India Limited and Ericsson India Private Limited constitute over 100% of total leased area, reflecting a high tenant concentration risk.

**Weak Debt Coverage Metrics:** The company’s coverage metrics are likely to remain weak with DSCR below 1x in FY2027, owing to sizable repayment obligations in the current fiscal as against modest cashflows from operations. VOOOPL is expected to meet the interim cashflow shortfall through surplus from group company – VSPPL. As per the sanctioned terms, the project cashflows of VSPPL shall be used towards meeting the project expenses and scheduled repayment obligations of VSPPL, post which the surplus from Vatika Sovereign Park project shall be used to service the scheduled repayment obligations of VOOOPL.

### Liquidity position: Poor

VOOOPL’s liquidity position is poor. It has an outstanding loan of Rs. 350 crore as on March 31, 2026, with annual debt repayment (principal + interest) estimated at Rs. 29 crore in FY2027. Given modest cashflow from operations in current fiscal, VOOOPL’s debt repayment obligations remains contingent on timely funding support from group company – VSPPL in FY2027.

### Rating sensitivities

**Positive factors** – ICRA could upgrade the ratings if the company achieves significant leasing progress at adequate rental rates for its under-construction Phase 2 – Tower 1A of the project, along with improvement in liquidity and debt protection metrics on a sustained basis.

**Negative factors** – Pressure on the rating could rise in case of any material delay in rental collections or significant decline in occupancy levels/rental rates, or a significant increase in indebtedness, resulting in weakening of debt protection metrics and liquidity position.

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Realty - Leasing</a>
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the rating, ICRA has considered the financials of Vatika One on One Private Limited (VOOPL) along with surplus from project Sovereign Park under Vatika Sovereign Park Private Limited (VSPPL) for meeting any shortfall towards debt repayment obligations in VOOPL. The project receivables of Sovereign Park are hypothecated as security to the project loan of VOOOPL, and the surplus post meeting the project expenses and scheduled repayment obligations of VSPPL would be utilized towards scheduled obligations of VOOOPL.

### About the company

Vatika One on One Private Limited is a private company incorporated on February 9, 2011, currently developing a commercial project named as Vatika One on One, located on NH 48 in Sector 16, Gurgaon. The project is a large, Grade A commercial office campus spread over ~12 acres, comprising multiple office towers arranged around a landscaped central piazza, and has received a 4 Star GRIHA pre-certification. The project is being developed in 3 phases under Joint development agreement (JDA) with the landowners. The project has an area of 2.35 msf (out of which 0.68 msf in Phase 1 is sold to strata investors) and the total leasable area in Phase 1 & 2 of the project is 0.85 msf (VOOOPL’s share), and balance area is with JDA partners/landowners.

**Key financial indicators (audited)**

Vatika One on One Private Limited	FY2024	FY2025
Operating income	271.2	213.7
PAT	-16.5	1.8
OPBDIT/OI	-1.0%	-0.8%
PAT/OI	-6.1%	0.8%
Total outside liabilities/Tangible net worth (times)	-9.0	-8.8
Total debt/OPBDIT (times)	-109.8	-277.0
Interest coverage (times)	-0.2	NM

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NM: Non-Material

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	June 03, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Proposed NCD	Long Term	175.00	[ICRA]C	-	-	-	-	-	-

### Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI

6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

**Disclosure:** SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

### Complexity level of the rated instruments

Instrument	Complexity indicator
Proposed Non-Convertible Debentures	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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Non-Convertible Debentures*	NA	NA	NA	175.00	[ICRA]C

Source: Company; \*Proposed

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

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## 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](http://www.icra.in)

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