

September 25, 2025

Prestige BKC Realtors Private Limited: [ICRA]A+(CE) (Stable); assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long Term-Fund Based-Term Loan	2,110.00	[ICRA]A+(CE) (Stable); Assigned
Total	2,110.00	

*Instrument details are provided in Annexure I

Rating without explicit credit enhancement [ICRA]A-

Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and its structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The last row in the table above also captures ICRA's opinion on the rating without factoring in the explicit credit enhancement

Rationale

The assigned rating is based on the strength of the corporate guarantee provided by Prestige Estates Projects Limited (PEPL/the guarantor, rated [ICRA]A+ (Stable)/[ICRA]A1), for the term loans of Prestige BKC Realtors Private Limited (PBKC). The Stable outlook on this rating reflects ICRA's outlook on the rating of the guarantor, PEPL.

Adequacy of credit enhancement

The rating of the instrument is based on the credit substitution approach, whereby the rating of the guarantor has been translated to the rating of the said instrument. The guarantee is legally enforceable, irrevocable, unconditional, covers the entire amount and tenor of the rated instrument and has a well-defined pre-default invocation and payment mechanism. Given these attributes, the guarantee provided by Prestige Estates Projects Limited is adequately strong to result in an enhancement in the rating of the said instrument to [ICRA]A+ (CE) against the rating of [ICRA]A- without explicit credit enhancement. In case the rating of the guarantor was to undergo a change in future, the same would reflect in the rating of the aforesaid instrument as well.

Salient covenants of the rated facility

- Security cover of 1.54 times to be maintained throughout the tenure of the loan.
- Entire promoter contribution of Rs. 1,202 crore to be brought in upfront and debt to equity ratio of minimum 63.71:36.29 to be maintained throughout the loan tenor.
- Default by the related parties (100% owned by Prestige Group) of borrower to lender or any other bank will be considered as cross default.

Key rating drivers and their description for the guarantor (PEPL)

Credit strengths

- Estimated healthy operating performance in residential segment
- Comfortable leverage

- Leading real estate developer with long track record, strong market position and diversified portfolio

Credit challenges

- Risks associated with large-scale, ongoing and upcoming projects
- Exposed to inherent cyclical in real estate sector

Please refer to the following link for the detailed rationale of the guarantor’s rating, published in August 2025. [Click here.](#)

Liquidity position: Adequate

For the guarantor (PEPL): Adequate (more details can be seen at this link. [Click here.](#))

For the rated entity (PBKC): Adequate

PBKC’s liquidity position is adequate. The remaining project cost of Rs. 1,804 crore as on May 15, 2025, for Tower X (Prestige BKC 101) is expected to be financed through undrawn bank limits of Rs. 2,110 crore. The bullet repayment of the CF loan is likely to be refinanced through lease rental discounting (LRD) facility in October 2030.

Rating sensitivities

Positive and negative factors – The rating assigned by ICRA to the term loans of PBKC is principally based on the strength of the corporate guarantee executed by PEPL. Accordingly, any future rating change, upgrade or downgrade, will remain synchronous with changes, if any, in the credit quality of PEPL.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating approach - Lease rental discounting (LRD)
Parent/Group support	The rating is based on the corporate guarantee extended by Prestige Estates Projects Limited (PEPL) in favour of the lender of the debt facilities of Prestige BKC Realtors Private Limited (PBKC).
Consolidation/Standalone	The debt facilities are backed by the corporate guarantees from PEPL. To arrive at the rating of PEPL, ICRA has assessed its consolidated risk profile. Details of the entities considered for consolidation are available at this link. (Click here)

About the company

Prestige BKC Realtors Private Limited (PBKC) was incorporated on February 14, 2006, with its registered office at Unit 1002, 10th Floor Jet Airways Godrej BKC, Plot C-68, G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051. Its main business activity is to carry out real estate development, renting and related activities in India. PBKC is developing a Grade A commercial office project, known as Prestige BKC 101 (Tower X) located in Bandra Kurla Complex, Bandra East, Mumbai, with a potential gross leasable area of 2.51 million sq ft. The project is expected to be completed by March 2029 with the DCCO timeline of April 2030. Once the project becomes operational, the construction finance loan is likely to be refinanced by a fresh sanction of LRD loan. As of August 2025, based on the management’s estimate, about 40% of the construction cost for Tower-X has been incurred.

Key financial indicators: Not Applicable being a project company.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

Instrument	Current ratings (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Sept 25, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Term loan	Long-term	2,110.00	[ICRA]A+ (CE) (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/ Sanction	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	March 2025	9.75%	October 2030	2,110.00	[ICRA]A+ (CE) (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

ANALYST CONTACTS

Ashish Modani

+91 22 6169 3300

ashish.modani@icraindia.com

Anupama Reddy

+91 40 6939 6427

anupama.reddy@icraindia.com

Pulkit Varshney

+91 80 4332 6427

pulkit.varshney@icraindia.com

Saumya Agrawal

+91 80 4332 6424

saumya.agrawal@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

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ICRA Limited



Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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