



Developer Grading Rationale

January 17, 2025, Bengaluru

Prestige Estates Projects Ltd

Developer grading

DA1+

Valid until: January 16, 2026

Detailed rationale

Crisil has reaffirmed its real estate developer grading '**DA1+**' on Prestige Estates Projects Ltd (PEPL).

The grading reflects that PEPL's ability to execute real estate projects in line with specified quality levels and timelines, and to transfer clean titles, is '**Excellent**'.

The grading is based on the developer's long-standing execution record, brand reputation, marketing strategy and development plans, and the experience of its senior management team. The developer's financial position, supported by bookings from ongoing projects and customer advances, has also been considered in determining the grading.

PEPL's presence across diverse real estate segments — residential, commercial, retail, hospitality and property management (services) — helps reduce risks in case any vertical faces a downturn. The company has an extensive footprint, with projects completed and under execution spread across 14 cities in India. The developer has also collaborated with recognised players in the hospitality and retail industry.

These strengths, though, are partly offset by inherent market and execution risk, manpower availability and funding risks associated with large ongoing and upcoming projects in its new area of operations, such as Mumbai, Pune, Goa and the National Capital Region. New markets, in turn, will also expose PEPL to a various regulatory norms and requirements of individual state governments. A few projects of the Prestige Group are joint ventures and thus expose it to the risk of non-performance of partners.

PEPL's standalone¹ financial risk profile is strong, while revenue from operations declined to Rs 2,651.20 crore in fiscal 2024 from Rs 4,329.70 crore a year earlier. The drop in revenue drove down profit after tax (PAT) to Rs 245.80 crore from Rs 340.90 crore in fiscal 2023. However, the developer's net worth improved to Rs 6,834.70 crore in fiscal 2024 from Rs 6,649.30 crore a year earlier.

At the consolidated¹ level, too, the financial risk profile of the Prestige Group remained strong. It closed fiscal 2024 with only a slight decline in revenue, at Rs 7,877.10 crore, from Rs 8,315.00 crore a year earlier. The group's PAT surged to Rs 1,628.70 crore from Rs. 1,066.80 crore in fiscal 2023, and debt-to-equity ratio was at 0.66 times, with a robust net worth of Rs 11,801.10 crore in fiscal 2024, up from Rs 10,258.50 crore a year earlier.

¹ As per annual report of fiscal 2024



About the developer

Founded in 1986, the Prestige Group is an Indian real estate company with presence in Ahmedabad, Bengaluru, Chennai, Hyderabad, Hassan, Mangaluru, Kochi, Kolar, Kozhikode, Goa, Ooty, Mumbai, Pune and the National Capital Region.

The group has executed 302 real estate projects covering ~193 million sq. ft till date across residential (apartment complexes, row houses and villas), commercial (offices, technology parks, special economic zones, and customised offices), plotted development, retail and hospitality segments. It has 57 projects totalling ~99 million sq. ft under various stages of development and 62 upcoming projects covering ~94 million sq. ft².

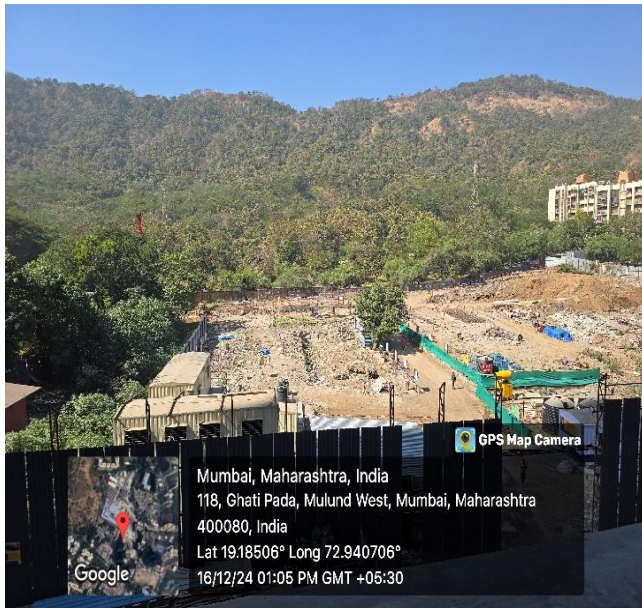
²As per investor presentation for Q2 of FY24-25



Photographs

Ongoing projects

Prestige Forest Hills, (Residential) – Mulund, Mumbai

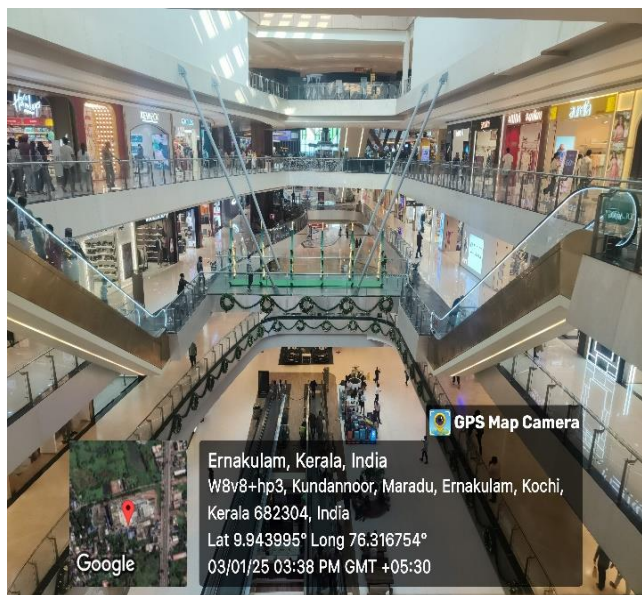


DIAL – Marriott Marquis – (Hospitality) - Delhi



Completed projects

Forum Thomsun Mall (Retail) – Kochi



Prestige Waterford (Residential) – Bengaluru



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