

September 04, 2025

Srijan Realty Private Limited: Rating Reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term – Fund-based – Term Loan	37.73	100.88	[ICRA] A- (Stable); reaffirmed
Long-term – Overdraft Limits	107.23	49.12	[ICRA] A- (Stable); reaffirmed
Long-term – Unallocated Limits	5.04	0.00	-
Total	150.00	150.00	

*Instrument details are provided in Annexure I

The rating reaffirmation for Srijan Realty Private Limited (SRPL) factors in the expected improvement in the Group's¹ sales and collections in FY2026 while maintaining adequate leverage levels. On a consolidated basis, the group reported healthy sales of Rs. 1433 crore and collections of Rs. 826 crores in FY2025. Further, of the total saleable area of 20 million square feet (msf) of its ongoing projects, the company has sold around 70% of the area till March 2025. The group's collections are estimated to increase by around 5-10% in FY2026 supported by expected adequate sales velocity from its ongoing and completed projects, adequate committed receivables and construction progress along with healthy launch pipeline of upcoming projects. Consequently, the cash flow from operations (CFO) is likely to improve in FY2026. SRPL's consolidated debt is estimated to rise to around Rs. 550 crores as of March 2026 (from Rs. 467 crores as of March 2025) largely on account of rise in construction finance debt in new projects, however, the leverage measured by Gross debt/CFO is estimated to be adequate in the range of 2.5-2.7 times as of March 2026. As of March 2025, around 40% of the Group's external debt comprised lease rental discounting (LRD) loans, which are backed by lease rentals from a commercial portfolio of around 0.7 msf, generating an annual rental of around Rs. 43 crores.

The company purchased one commercial property from DLF Limited for total consideration of Rs. 693 crores having 1 msf of gross leasable area which will be funded with a mix of debt and equity. Despite the debt funded acquisition, the leverage is expected to remain adequate. The rating continues to draw comfort from the established market position of the Srijan Group, with a track record of around 30 years in the real estate industry, with presence in and around Kolkata. The rating notes the fully paid-up land bank of the Group, which provides financial flexibility and strong project execution capabilities.

The ratings, however, are constrained by the exposure to execution and market risks for the Group's ongoing and upcoming projects. As of March 2025, the Group had 30% of area yet to be sold and 41% of the cost yet to be incurred for the ongoing projects. The intermediate stage of several ongoing projects, together with significant launch pipeline of around 6.9 msf over the near to medium term, exposes the Group to execution and market risks. Nevertheless, the Group's past track record mitigates the risks to an extent. The rating, however, remains constrained by the high concentration of the Group's operations, which are primarily confined in one city, i.e., Kolkata and its surrounding areas, thereby exposing it to fluctuations in a single market's performance. Any significant debt-funded investment in land would be a key monitorable. The Group remains exposed to external factors such as the inherent cyclicity in the real estate industry and regulatory risks.

The Stable outlook on the long-term rating reflects ICRA's opinion that the Group will continue to report healthy sales and collections, supported by adequate sales velocity and strong launch pipeline, while maintaining adequate leverage metrics.

¹ Group refers to Srijan Realty Private Limited (SRPL) along with its operational group entities having ongoing projects and/or outstanding debt, given their business, financial and managerial linkages.

Key rating drivers and their description

Credit strengths

Expected improvement in sales and collections – The group's collections are estimated to increase by around 5-10% in FY2026 supported by expected adequate sales velocity from its ongoing and completed projects, adequate committed receivables and construction progress along with healthy launch pipeline of upcoming projects. Consequently, the cash flow from operations (CFO) are likely to improve in FY2026. On a consolidated basis, the group reported healthy sales of Rs. 1433 crore and collections of Rs. 826 crores in FY2025. Further, of the total saleable area of 20 msf of its ongoing projects, the company has sold around 70% of the area till March 2025.

Adequate leverage position – SRPL's consolidated debt is estimated to rise to around Rs. 550 crores as of March 2026 (from Rs. 467 crores as of March 2025) largely on account of rise in construction finance debt in new projects, however, the leverage measured by Gross debt/CFO is estimated to be adequate in the range of 2.5-2.7 times as of March 2026. As of March 2025, around 40% of the Group's external debt comprised lease rental discounting (LRD) loans, which are backed by lease rentals from a commercial portfolio of around 0.7 msf, generating an annual rental of around Rs. 43 crores. The company purchased one commercial property from DLF Limited for total consideration of Rs. 693 crores having 1 msf of gross leasable area which will be funded with a mix of debt and equity. Despite the debt funded acquisition, the leverage is expected to remain adequate.

Established real estate developers with long track record and strong market position in Eastern India – The Srijan Group has an established track record in the real sector in eastern India, particularly in and around Kolkata (comprising residential and commercial developments). Of the ongoing projects, the group has undertaken few projects in JV with other reputed developers. However, during the recent launches and the upcoming pipeline the group has undertaken the projects as a sole developer. However, with growing scale and financial capability, the Group intends to increasingly take up projects individually going forward.

Credit challenges

Exposure to execution and market risks due to significant upcoming project pipeline – As of March 2025, the Group had 30% of area to be sold and 41% of the cost yet to be incurred for the ongoing projects. The intermediate stage of several ongoing projects, together with significant launch pipeline of around 6.9 msf over the near to medium term, exposes the Group to execution and market risks. Nevertheless, the Group's past track record mitigates the risks to an extent.

Geographically concentrated operations – Of the approximately 18.6 msf of area under execution by the Srijan Group at present, around 95% is being developed in and around Kolkata, exposing the Group to geographical concentration risks. However, ICRA notes that the projects are diverse in terms of the targeted end-user segments.

Exposure to cyclicity inherent in real estate business – The Group remains vulnerable to the inherent risks of the real estate sector. The residential real estate sector, being cyclical in nature is highly dependent on macro-economic factors, which exposes sales to any downturn in demand and competition within the region from various other developers. The Group has high dependence on the Kolkata real estate market, which accounts for majority of its total saleable area in its ongoing projects.

Liquidity position: Adequate

The Group's liquidity is expected to remain adequate with unencumbered cash and liquid balances of around Rs. 91.2 crore, undrawn construction finance limits of around Rs. 193 crores (for projects managed by Srijan) towards the ongoing projects as of March 2025 and healthy committed receivables of around Rs. 1,733 crore from the sold area as of March 2025. The scheduled principal debt repayments for the residential segment and LRD debt in FY2026 and FY2027 is expected to be adequately met from the cash flow from operations.

Rating sensitivities

Positive factors – The rating may be revised if there is a significant increase in scale and collections, resulting in an improvement in cash flows, while maintaining low leverage and healthy liquidity on a sustained basis. Increased geographical diversity would also be a key credit positive.

Negative factors – Negative pressure on the rating could arise in case of slowdown in project execution or collections or increased debt levels resulting in deterioration of leverage and liquidity. Further, any large debt-funded investments in land bank or other capital expenditure may also impact the rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty – Residential/Retail/Commercial
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has consolidated the cash flows of SRPL along with its operational Group entities having ongoing projects and/or outstanding debt (as mentioned in Annexure II), given the close business, financial and managerial linkages among them; in line with its methodology for rating real estate entities, the Srijan Group's share of the cash flows across various Group companies have been consolidated.

About the company

The Srijan Group, which undertakes commercial, retail, as well as residential real estate projects in East and South India, was founded by Mr. Shyam Sunder Agarwal, Mr. Ram Naresh Agarwal and their two brothers (Mr. Vinod Kumar Agarwal and Mr. Pawan Kumar Agarwal). Srijan Realty Pvt Ltd, incorporated in fiscal 1996, is the flagship company of the Group. The Group has considerable presence in marketing of real estate projects in eastern India through group company, N. K. Realtors Pvt. Ltd. (NKRPL). NKRPL is among the largest marketing and selling agents of real estate developments in eastern India.

Key financial indicators (audited)

SRPL (Standalone)	FY2023	FY2024
Operating income	19.63	23.75
PAT	-15.76	4.39
OPBDIT/OI	2.65%	-89.66%
PAT/OI	-80.29%	18.49%
Total outside liabilities/Tangible net worth (times)	1.92	2.47
Total debt/OPBDIT (times)	526.87	-13.58
Interest coverage (times)	0.03	-1.40

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2026)				Chronology of rating history for the past 3 years					
Instrument	Type	Amount rated (Rs. crore)	September 04, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Term Loan	Long Term	100.88	[ICRA] A-(Stable)	June 25, 2024	[ICRA] A-(Stable)	Feb 26, 2024	[ICRA] A-(Stable); ISSUER NOT COOPERATING*	Nov 30, 2022	[ICRA] A-(Stable)
Overdraft Limits	Long Term	49.12	[ICRA] A-(Stable)	June 25, 2024	[ICRA] A-(Stable)	Feb 26, 2024	[ICRA] A-(Stable); ISSUER NOT COOPERATING*	Nov 30, 2022	[ICRA] A-(Stable)
Unallocated Limits	Long Term	0.00	-	June 25, 2024	[ICRA] A-(Stable)	Feb 26, 2024	[ICRA] A-(Stable); ISSUER NOT COOPERATING*	Nov 30, 2022	[ICRA] A-(Stable)

*Issuer did not cooperate; based on best available information

Complexity level of the rated instruments

Instrument	Complexity indicator
Fund-based – Term Loan	Simple
Overdraft Limits	Simple
Unallocated Limits	Not Applicable

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	Fund-based – Term Loan	Oct 2020 to Jan 2023	9.97%	Oct 2025 to Jan 2033	100.88	[ICRA] A- (Stable)
NA	Overdraft Limits	NA	NA	NA	49.12	[ICRA] A- (Stable)
NA	Unallocated Limits	NA	NA	NA	0.00	[ICRA] A- (Stable)

Source: Company

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Srijan Realty Private Limited	100.0%	Full Consolidation
Srijan Residency LLP	100.0%	Full Consolidation
Sky View Developers	37.5%	Proportional Consolidation
Trinity Infrapark LLP	33.3%	Proportional Consolidation
PS Srijan Real Venture LLP	50.0%	Proportional Consolidation
Greenfield City Project LLP	50.0%	Proportional Consolidation
Badu Road Developers LLP	37.5%	Proportional Consolidation
Neelanchal Realtors LLP	15.0%	Proportional Consolidation
PS Srijan Developers LLP	45.0%	Proportional Consolidation
PS Srijan Height Developers	50.0%	Proportional Consolidation
Reproscan Tech Park LLP	50.0%	Proportional Consolidation
SouthWind Project LLP	37.5%	Proportional Consolidation
Srijan Star Realty LLP	75.0%	Proportional Consolidation
PS Srijan Estates LLP	29.6%	Proportional Consolidation
PS Srijan Enclaves	50.0%	Proportional Consolidation
Raghabpur Projects LLP	75.0%	Proportional Consolidation
Hazelton High Rise LLP	19.3%	Proportional Consolidation
SRPM Haat LLP	50.0%	Proportional Consolidation
Zen Promoters LLP	33.3%	Proportional Consolidation
Srijan Super Facilities LLP	55.0%	Proportional Consolidation
Metiabruz Retail and Warehousing LLP	50.0%	Proportional Consolidation

Source: Annual report; ICRA Research

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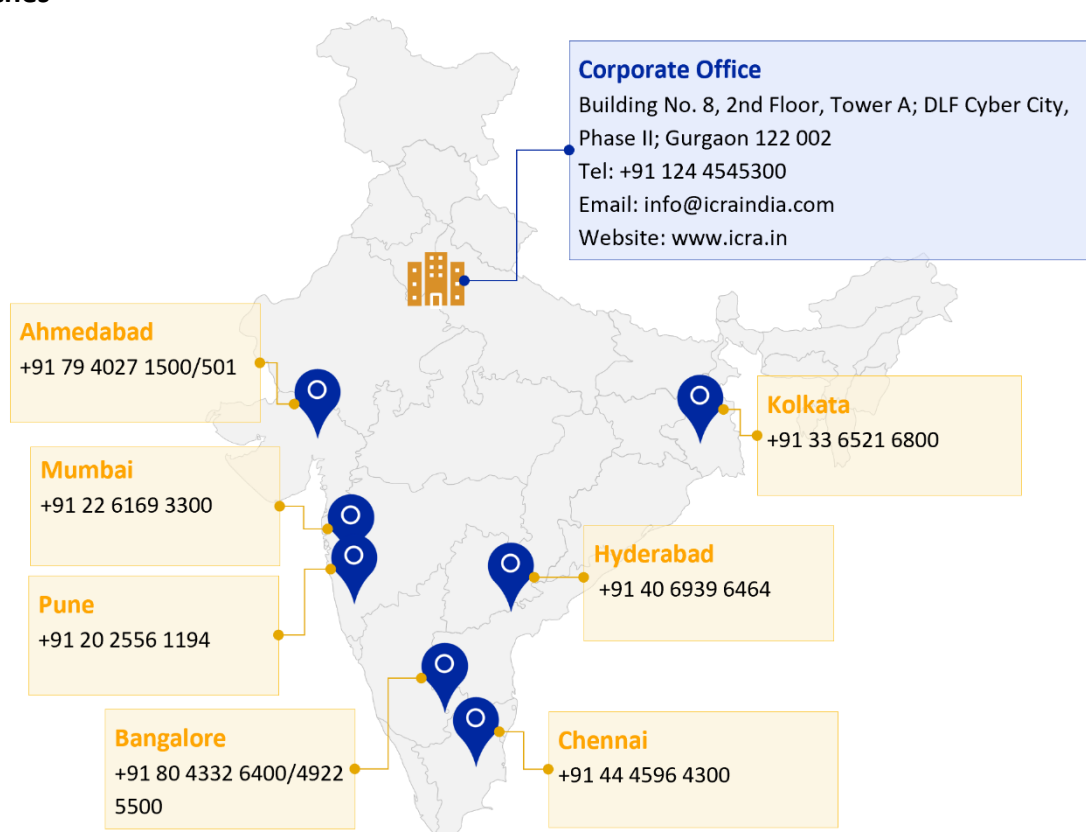
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