

January 14, 2026

Conceptual Advisory Services LLP: 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	500.00	500.00	[ICRA]BBB+ (Stable); Reaffirmed
Long-term – Non-fund based –Letter of credit	(150.00)	(150.00)	[ICRA]BBB+ (Stable); Reaffirmed
Total	500.00	500.00	

[^]Instrument details are provided in Annexure-I

Rationale

The rating reaffirmation for Conceptual Advisory Services LLP (CASL) factors in the expected adequate collections in Phase I of its project, Suraksha Smart City located at Vasai (East), Mumbai Metropolitan Region (MMR), supported by healthy construction progress and good sales velocity in its upcoming phases – Phase II and Phase III, backed by adequate end-user demand. CASL has launched ten towers in Phase-I majorly under Pradhan Mantri Awas Yojana (PMAY) and 84% of the launched units have been booked as of September 2025. The collections are likely to remain adequate in the range of Rs. 370-390 crore in FY2026, aided by the healthy construction progress. The firm is expected to launch Phase II and III of the project in Q4 FY2026 with a total saleable area of ~2.25 million square feet (msf), non-PMAY, providing cash flow visibility in the medium term. Dependence on external debt for funding the construction progress is low so far with total external debt levels for the project at Rs. 76.1. crore as of October 2025 and it is anticipated to increase to Rs. 170-180 crore as of March 2026 with the launch of new phases. The rating favourably considers CASL's strong parentage and the resultant financial flexibility. The firm is jointly owned by the promoters of Sun Pharmaceutical Industries Limited (through Rayo Enterprises LLP), Debonair Buildwell LLP (promoted by Mr. Sudhir Valia and family), Vijesh Buildwell LLP (promoted by Mr. Vijay Parekh and Mr. Paresh Parekh) and Suraksha Realty Limited. The promoters have funded the project till date through equity contribution and unsecured loans totalling to Rs. 2,129.2 crore as on March 31, 2025. ICRA expects the promoters to support the project's funding requirements, going forward, as and when need arises.

The rating is, however, constrained by the company's exposure to moderate execution and funding risks for its ongoing phase and upcoming launches. As of September 2025, it is yet to incur around 40% of the total construction cost in Phase I. Nonetheless, CASL has operationalised its pre-cast plant, which has aided the construction progress, and Phase-I is estimated to be delivered by the end of December 2026. The pending cost for Phase I is proposed to be funded mainly through the customer advances, along with minimal undrawn bank limits. The cash flow adequacy remains moderate, wherein the committed receivables of Rs. 297.4 crore covers around 56% of the outstanding debt and pending cost of Rs. 535.2 crore. Nevertheless, the risk is mitigated by the demonstrated track record of the promoters of supporting the entity in the past. Further, the firm is exposed to high market risk for the upcoming launches. However, its track record of sales in Phase I of the project mitigates the risk to an extent. Moreover, being a cyclical industry, the real estate business is highly dependent on macro-economic factors, which exposes its sales to any downturn in demand and competition within the region from various other developers. The firm is further exposed to geographical concentration risk as it has single project located in Vasai East, MMR.

The Stable outlook on CASL's rating reflects ICRA's expectation that the firm will benefit from the adequate sales and collections from its ongoing as well as new launches in the project, while maintaining low debt levels.

Key rating drivers and their description

Credit strengths

Estimated healthy collections in FY2026; low debt levels – CASL has launched ten towers in Phase-I majorly under PMAY and 84% of the launched units have been booked as of September 2025. The collections are expected to remain adequate in the range of Rs. 370-390 crore in FY2026, supported by healthy construction progress. The firm is expected to launch Phase II and III of the project in Q4 FY2026 with a total saleable area of ~2.25 msf, non-PMAY, providing cash flow visibility in the medium term. Dependence on external debt for funding the construction progress is low so far with total external debt levels for the project at Rs. 76.1 crore as of October 2025 and it is anticipated to increase to Rs. 170-180 crore as of March 2026 with the launch of new phases.

Strong parentage and resultant financial flexibility – The rating considers CASL's strong parentage and the resultant financial flexibility. The firm is jointly owned by the promoters of Sun Pharmaceutical Industries Limited (through Rayo Enterprises LLP), Debonair Buildwell LLP (promoted by Mr. Sudhir Valia and family), Vijesh Buildwell LLP (promoted by Mr. Vijay Parekh and Mr. Paresh Parekh) and Suraksha Realty Limited. The promoters have funded the project till date through equity contribution and unsecured loans totalling to Rs. 2,129.2 crore as on March 31, 2025. ICRA expects the promoters to support the project's funding requirements, going forward, as and when need arises.

Credit challenges

Exposure to project execution and market risks – The company is exposed to moderate execution and funding risks for its ongoing phase and upcoming launches. As of September 2025, it is yet to incur around 40% of the total construction cost in Phase I. Nonetheless, CASL has operationalised its pre-cast plant, which has aided the construction progress, and Phase-I is estimated to be delivered by the end of December 2026. The pending cost for Phase I is proposed to be funded mainly through the customer advances, along with minimal undrawn bank limits. The cash flow adequacy remains moderate, wherein the committed receivables of Rs. 297.4 crore covers around 56% of the outstanding debt and pending cost of Rs. 535.2 crore as of September 2025. However, the risk is mitigated by the demonstrated track record of the promoters of supporting the entity in the past. Further, the firm is exposed to high market risk for the upcoming launches. However, its track record of sales in the Phase I of the project, mitigates the risk to an extent.

Exposure to cyclicity in real estate business and geographical concentration risk – Being a cyclical industry, the real estate business is highly dependent on macro-economic factors, which exposes its sales to any downturn in demand and competition within the region from various other developers. The firm is further exposed to geographical concentration risk as it has single project located in Vasai East, MMR.

Liquidity position: Adequate

The firm's liquidity position remains adequate, with cash and cash equivalents of ~Rs. 82.3 crore as on March 31, 2025. As of September 2025, the pending receivable from the project stood at Rs. 297.4 crore against the pending cost of Rs. 485.2 crore. It is dependent on incremental sales to meet the pending cost. The debt repayments in FY2026 remain low, which can be made from the existing liquidity.

Rating sensitivities

Positive factors – The rating may be upgraded if there is a significant improvement in sales and collections for the upcoming launches, along with improvement in cash flow from operations on a sustained basis.

Negative factors – Negative pressure on the rating could arise if there is a slowdown in sales, decline in collections or delays in project execution or any significant increase in indebtedness, resulting in deterioration in liquidity and leverage position on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty-Commercial/Retail/Residential
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Conceptual Advisory Services LLP (CASL), incorporated on January 18, 2018, is constructing an affordable housing project, named Suraksha Smart City, on 362.60 acres of land at Vasai (East), near Mumbai, India. The project has a development potential of over 60 msf and would be developed in multiple phases. At present, it is developing the first phase measuring about 13.01 acres with a total saleable area of about 4.06 msf. CASL is jointly owned by the promoters of Sun Pharmaceutical Industries Limited (through Rayo Enterprises LLP – 70% profit sharing and 82.35% loss sharing), Debonair Buildwell LLP (promoted by Mr. Sudhir Valia and family – 14.0% profit sharing and 17.65% loss sharing), Vijesh Buildwell LLP (promoted by Mr. Vijay Parekh and Mr. Paresh Parekh – 14.0% profit sharing) and Suraksha Realty Limited (2% profit sharing).

Key financial indicators (audited)

CASL(Standalone)	FY2024	FY2025
Operating income	226.9	573.7
PAT	7.4	-53.8
OPBDIT/OI	4.7%	-8.1%
PAT/OI	3.3%	-9.4%
Total outside liabilities/Tangible net worth (times)	-727.7	-128.2
Total debt/OPBDIT (times)	219.9	-46.4
Interest coverage (times)	607.8	-721.2

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								
FY2026			FY2025		FY2024		FY2023				
Instrument	Type	Amount rated (Rs. crore)	Jan 14, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loans	Long term	500.00	[ICRA]BBB+ (Stable)	Dec 16, 2025	[ICRA]BBB+ (Stable)	Oct 28, 2024	[ICRA]BBB+ (Stable)	July 28, 2023	[ICRA]BBB+ (Stable)	Apr 29, 2022	[ICRA]BBB (Stable)
				Jul 04, 2025	[ICRA]BBB+ (Stable); ISSUER NOT COOPERATING	-	-	-	-	-	-
Letter of credit*	Long term	(150.00)	[ICRA]BBB+ (Stable)	Dec 16, 2025	[ICRA]BBB+ (Stable)	Oct 28, 2024	[ICRA]BBB+ (Stable)	July 28, 2023	[ICRA]BBB+ (Stable)	Apr 29, 2022	[ICRA]BBB (Stable)
				Jul 04, 2025	[ICRA]BBB+ (Stable); ISSUER NOT COOPERATING	-	-	-	-	-	-

*Sublimit of the term loan facility

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term – Fund-based – Term loans	Simple
Long-term – Non-fund based – Letter of credit	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 Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	March 2024	10.15%	March 2028	500.00	[ICRA]BBB+ (Stable)
NA	Letter of credit	-	-	-	(150.00)	[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

ANALYST CONTACTS

Ashish Modani

+91 22 6169 3300

ashish.modani@icraindia.com

Anupama Reddy

+91 40 6939 6427

anupama.reddy@icraindia.com

Sweta Shroff

+91 124 4545 307

sweta.shroff@icraindia.com

Siddhartha Sharma

+91 124 4545 327

siddhartha.sharma@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

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

ICRA Limited

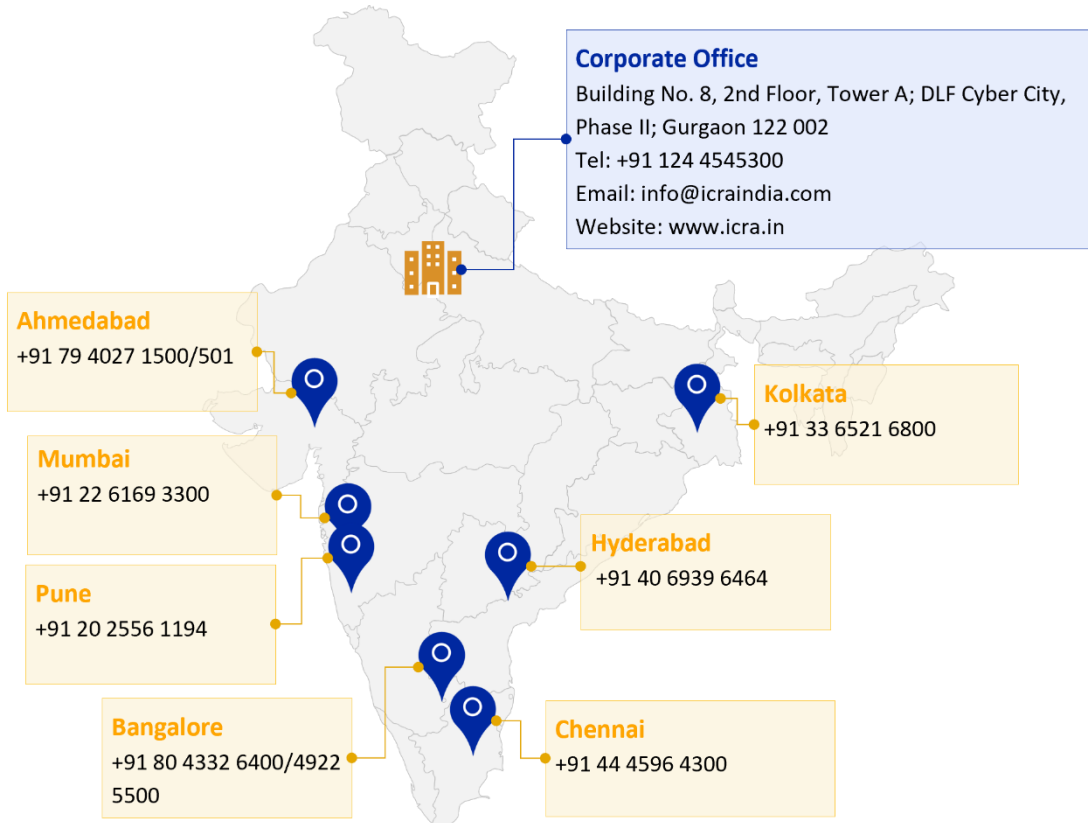


Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.