March 31, 2026

Gaursons Promoters Private Limited: Rating reaffirmed; Assigned for enhanced amount

Summary of rating action

Instrument^	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term — Fund-based — Term loan	32.02	68.92	[ICRA]BBB+ (Stable); reaffirmed; assigned for enhanced amount
Long-term — Fund based – Overdraft	5.00	5.00	[ICRA]BBB+ (Stable); reaffirmed
Long-term – Unallocated	20.58	-	-
Total	**57.60**	**73.92**	

^Instrument details are provided in Annexure I

Rationale

The rating reaffirmation for the bank facilities of Gaursons Promoters Private Limited (GPPL) factors in the healthy sales velocity for its newly launched residential project, Gaur Chrysalis, leading to improvement in the collections and cash flow from operations (CFO). This along with low debt reliance is expected to result in comfortable leverage as of March 2026 and March 2027. The project, Gaur Chrysalis, launched in November 2025, at Greater Noida, which is 85% sold as of February 2026. Consequently, GPPL's overall collections are estimated to significantly increase to Rs. 320-330 crore in FY2026 (PY: Rs. 7.9 crore) and likely to further improve by 4-7% in FY2027. The rating notes the healthy occupancy of its property as it is 100% occupied by the tenant, Sarvodya Hospital Group, as of December 2025, along with favourable location of the asset in Sector 16C, Gaur City 2, Greater Noida. The company is anticipated to receive rentals of Rs. 7.0-8.0 crore from the hospital, along with revenues of Rs. 70-75 crore and operating margins of 8.5-9.5% from the ready-mix concrete (RMC) plant in FY2026 and FY2027. ICRA expects Gaursons India (P) Ltd to provide timely financial support to GPPL, for any funding shortfall, given the common promoters and the Gaursons Group's reputation from the consequences of a subsidiary's distress.

The rating derives comfort from the established market position of the Gaursons Group, with a track record of around three decades in the real estate industry, particularly in Ghaziabad, Noida and Greater Noida, and the Group's strong project execution and sales capabilities. The rating favourably notes the Group's diversified operations across residential, commercial, retail, education and hospitality segments.

The rating is, however, constrained by the company's exposure to high execution risk and residual market risk for its newly launched project as 93% of the total cost is yet to be incurred as of December 2025 and around 15% of area is yet to be sold as of February 2026. Further, GPPL faces high tenant concentration risk as the entire commercial property is leased out to only one tenant, and the consequent exposure to market risk in case of any vacancy/non-renewal of leases, which exposes the debt coverage indicators to any decline in occupancy levels or increase in interest rates. The company's operating margins remain susceptible to volatility in the raw material prices for the RMC division. The rating is exposed to high geographical concentration risk due to dependence on a single residential project in the National Capital Region (NCR), along with the cyclical nature of the industry, which renders the company's performance vulnerable to any downturn in demand and competition within the region from various established developers.

Further, ICRA has considered the Income Tax (IT) Department's search operations on the Group's properties in FY2022. As per ICRA's discussions with the management, the matter is still under investigation. ICRA will monitor these developments and take rating action, if required, as more clarity emerges on these issues.

The Stable outlook on the long-term rating reflects ICRA's expectation that the company will maintain its comfortable leverage, supported by improvement in collections and CFO.

Key rating drivers and their description

Credit strengths

Expected improvement in collections in FY2026 and FY2027; comfortable leverage – The company has launched its new residential project Gaur Chrysalis in November 2025, at Greater Noida, which has received healthy sales velocity as it sold around 85% of the project till February 2026. GPPL's overall collections are estimated to significantly increase to Rs. 320-330 crore in FY2026 (PY: Rs. 7.9 crore) and likely to further improve by 4-7% in FY2027, resulting in adequate CFO. This along with low debt levels will result in comfortable leverage metrics with total external debt/CFO in the range of 0.9-1.1 times as of March 2026 and March 2027.

Favourable location and fully occupied property – The hospital property is favourably located in Sector 16C, Gaur City 2, Greater Noida, which is well connected to other parts of NCR. The property is 100% occupied by the tenant, Sarvodya Hospital Group, as of December 2025.

Established track record of Gaursons Group in real estate market in NCR – The Gaursons Group has an established market position in the NCR market, with a track record of around three decades in the real estate industry, particularly in Ghaziabad, Noida and Greater Noida. It also has strong project execution and sales capabilities. The rating favourably notes the Group's diversified operations across residential, commercial, retail, education, and hospitality segments. The Group has delivered more than 60 msf of residential and commercial projects across the NCR.

Credit challenges

Exposed to execution, market and geographical risks – The company is exposed to high execution risk and moderate market risk for its newly launched project as 93% of the total cost is yet to be incurred as of December 2025 and around 15% of the area is yet to be sold as of February 2026. It is further exposed to high geographical concentration risk due to dependence on a single residential project in the NCR, along with cyclical nature of the industry, which renders the company's performance vulnerable to any downturn in demand and competition within the region from various established developers.

High tenant concentration risk – The company faces high tenant concentration risk as the entire property is leased out to only one tenant, and the consequent exposure to market risk in case of any vacancy/non-renewal of leases. Its debt coverage indicators remain exposed to any decline in occupancy levels or increase in interest rates.

Vulnerability of earnings to fluctuations in raw material prices – The company's operating margin remains exposed to the volatility in the raw material prices for the RMC division.

Liquidity position: Adequate

The company's liquidity position remains adequate, as marked by healthy committed receivables of Rs. 716 crore, along with free cash and bank balances of Rs. 42.9 crore as of December 2025. Further, it has repayment obligations of Rs. 9.4 crore in FY2027, which is expected to be comfortably serviced through the estimated CFO.

Rating sensitivities

Positive factors – ICRA could upgrade GPPL's rating if the company demonstrates a material improvement in collections and CFO resulting in an improvement in debt coverage metrics on a sustained basis.

Negative factors – Negative pressure on the rating could arise if there is a material decline in collections or material increase in indebtedness resulting in weakening of debt protection metrics and liquidity on sustained basis. The rating may be downgraded in case of weakening of linkages with GIPL or if there is a deterioration in credit profile of GIPL.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	[Corporate Credit Rating Methodology](#) [Realty - Commercial/Residential/Retail](#) [Realty - Lease Rental Discounting (LRD)](#)
Parent/Group support	Group Company: Gaursons India (P) Ltd ICRA expects Gaursons India (P) Ltd to extend timely financial support to GPPL, if need arises, given their strategic importance to GIPL as there are business linkages, common management, common treasury team and GIPL's reputation sensitivity to default. Further, GIPL has given a corporate guarantee for the loan availed by GPPL.
Consolidation/Standalone	Standalone

About the company

Gaursons Promoters Private Limited, incorporated in 2006, is a subsidiary of Gaursons India (P) Limited, which holds 75.74% (balance held by Gaursons Hi-Tech Infrastructure Private Limited). The company has one hospital, which has been given on lease to Sarvodya Hospital Group. Besides, it has an RMC plant, which supplies to the Group entities. Also, the company has developed a 112-acre township – Gaur City 2 at Noida, Uttar Pradesh. Further, it has launched one new project, i.e., Gaur Chrysalis in November 2025 having a saleable area of 2.1 msf.

Key financial indicators (Audited)

GPPL	FY2024	FY2025
Operating income	350.5	177.6
PAT	15.8	51.8
OPBDIT/OI	1.7%	8.6%
PAT/OI	4.5%	29.1%
Total outside liabilities/Tangible net worth (times)	2.1	1.3
Total debt/OPBDIT (times)	11.1	4.0
Interest coverage (times)	0.8	2.3

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

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years							
	Type	Amount rated (Rs. crore)	Mar 31, 2026	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loan	Long Term	68.92	[ICRA]BBB+ (Stable)	Apr 09, 2025	[ICRA]BBB+ (Stable)	-	-	Feb 20, 2024	[ICRA]BBB+ (Stable)	-	-
Overdraft	Long Term	5.00	[ICRA]BBB+ (Stable)	Apr 09, 2025	[ICRA]BBB+ (Stable)	-	-	Feb 20, 2024	[ICRA]BBB+ (Stable)	-	-
Unallocated	Long Term	-	-	Apr 09, 2025	[ICRA]BBB+ (Stable)	-	-	Feb 20, 2024	[ICRA]BBB+ (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term — Fund-based — Term loan	Simple
Long-term — Fund based – Overdraft	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	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	**Term loan I**	June 2025	-	June 2039	68.92	[ICRA]BBB+ (Stable)
NA	**Overdraft**	-	-	-	5.00	[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

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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.

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