

July 14, 2025

Keysky Realtors Private Limited: [ICRA]BBB+ (Stable) assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term - Fund based - Term loan	75.00	[ICRA]BBB+ (Stable); assigned
Total	75.00	

*Instrument details are provided in Annexure I

Rationale

The rating assigned to Keysky Realtors Private Limited (KRPL) factors in the favourable location of its projects, Rustomjee Prive (Prive) and Rustomjee Aden (Aden) along with the established experience of the parent, Keystone Realtors Limited (KRL), the flagship company of the Rustomjee Group in the real estate market of Mumbai Metropolitan Region (MMR). The Rustomjee Group has a long track record of close to three decades and an established position in the residential real estate market in MMR, underpinned by 26 million square feet (msf) of deliveries till March 2025. Additionally, the Group has an under-construction project portfolio comprising a saleable area of 7.9 msf as of March 2025 and upcoming developments of ~27 msf over the medium term. The projects are favourably located in Kalanagar at Bandra East in Central Mumbai and is in close proximity to various commercial offices, enhancing the marketability. ICRA expects the parent, KRL, to provide timely financial support to KRPL, for funding shortfall, if any, given their substantial financial linkages, the company's strategic importance for the parent and KRL's reputation sensitivity to default.

The rating is, however, constrained by the exposure to execution risk with 83% and 48% of the total cost yet to be incurred as of March 2025 for Prive and Aden, respectively. The projects are exposed to market risks from sales point of view however ~23% is already sold and 77% of the total area is yet to be sold as of May 2025. Nevertheless, ICRA draws comfort from KRL's experience in the real estate market in MMR and its long track record of successful execution of projects in a timely manner. The company's cash flow adequacy is moderate at 21% as of March 2025 with committed receivables of Rs. 66.9 crore against pending costs of Rs. 313.8 crore and a total debt outstanding of Rs. 4.5 crore. The rating also factors in the company's moderate scale of operations with the collections estimated in the range of Rs. 80-90 crore in FY2026 and Rs. 130-140 crore in FY2027. The rating remains constrained by the geographical and asset concentration risks as well as susceptibility to cyclical in the real estate sector.

The Stable outlook on the rating reflects ICRA's opinion that the company will be able to achieve adequate collections and construction progress in the project, leading to improvement in cash flow operations and leverage metric.

Key rating drivers and their description

Credit strengths

Strong operational track record and brand strength of Rustomjee Group in real estate sector – The Rustomjee Group has a long track record of close to three decades and an established position in the residential real estate market in MMR, underpinned by 26 msf of deliveries till March 2025. Additionally, the Group has an under-construction project portfolio comprising a saleable area of 7.9 msf as of March 2025 and upcoming developments of ~27 msf over the medium term.

Favourable location of projects – KRPL is undertaking two residential redevelopment projects, Rustomjee Prive and Rustomjee Aden, with a total carpet area of ~99,003 sft. The projects are favourably located in Kalanagar at Bandra East in Central Mumbai and is in close proximity to various commercial offices, hospitals, schools, beaches thereby enhancing the marketability.

Credit challenges

Exposed to execution and market risks – The company is exposed to execution risk with 83% and 48% of the total cost yet to be incurred as of March 2025 for Prive and Aden, respectively. The projects are exposed to market risks from sales point of view however ~23% is already sold and 77% of the total area is yet to be sold as of May 2025. Nevertheless, ICRA draws comfort from KRL’s experience in real estate market in MMR and its long track record of successful execution of projects in a timely manner.

Moderate scale of operations and cash flow cover – KRPL’s scale of operations is modest as it has two under-construction residential properties with a total carpet area of 99,003 sq.ft. The collections from the project are estimated to be in the range of Rs. 80-90 crore in FY2026 and Rs. 130-140 crore in FY2027. The company’s cash flow adequacy ratio is moderate at 21% as of March 2025 with committed receivables of Rs. 66.9 crore against pending costs of Rs. 313.8 crore and total debt outstanding of Rs. 4.5 crore.

Geographical and asset concentration risks; exposure to cyclicity in real estate sector – The company is dependent on the two ongoing residential projects, which are limited to the real estate market in MMR, thereby exposing it to geographical and asset concentration risks. Any adverse development in the region can impact the execution and sales of the projects. Further, the residential real estate sector is cyclical in nature and highly dependent on macroeconomic factors, which expose the company’s sales to any downturn in demand and competition within the region from other developers.

Liquidity position: Adequate

The liquidity position remains adequate. As on March 31, 2025, the company has cash and investment balance of Rs. 16.7 crore and undrawn bank limits of Rs. 70.5 crore. The company is undertaking two projects, Rustomjee Prive and Rustomjee Aden at a total cost of Rs. 425.6 crore, funded by a mix of debt (which is tied up), promoter contribution (already infused) and collections from customers. The debt repayments in FY2026 remain low with only interest payments, which can be made from the existing on-balance sheet liquidity. The principal repayment has a moratorium of two years.

Rating sensitivities

Positive factors – The rating may be upgraded, if significant and sustained growth in sales and collections of the company results in a consistent improvement in cash flow from operations, lower reliance on debt funding and improvement in debt protection metrics and liquidity.

Negative factors – Significant delays in project execution leading to cost overruns or subdued collections impacting the cash flows from operations would be a credit negative. Additionally, weakening of linkages with KRL or deterioration in the credit profile of KRL could result in a rating downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Commercial/Residential/Retail
Parent/Group support	Support Provider: Keystone Realtors Limited (KRL) ICRA expects the support provider, KRL, to provide timely financial support to KRPL, for funding shortfall, if any, given their substantial financial linkages, KRPL’s strategic importance for the parent and KRL’s reputation sensitivity to default.
Consolidation/Standalone	Standalone

About the company

Keysky Realtors Private Limited (KRPL) was established in November 2021 for execution of residential projects. KRPL is 100% held by Keystone Realtors Limited, which is a flagship entity of the Rustomjee Group and is rated [ICRA] A+ (Stable). KRPL is currently developing two projects in Bandra East, Mumbai, namely Rustomjee Prive and Rustomjee Aden. Both are premium residential redevelopment projects with developer's share of carpet area of 72,040 sq.ft and 26,963 sq.ft, respectively. The total cost of the projects is Rs. 425.6 crore, which is being funded by a mix of debt, promoter contribution and collections from customers.

Key financial indicators (audited)

KRPL – Standalone	FY2024	FY2025
Operating income	-	-
PAT	-0.4	-3.3
OPBDIT/OI	-	-
PAT/OI	-	-
Total outside liabilities/Tangible net worth (times)	-142.1	-35.6
Total debt/OPBDIT (times)	-115.9	-24.7
Interest coverage (times)	-808.0	-34.9

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amounts 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

Instruments	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	July 14, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund-based – Term loan	Long-term	75.00	[ICRA]BBB+ (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	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long-term – Fund-based – Term loan	March 03, 2025	9.11%	FY2029	75.00	[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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