

June 30, 2026

Puravankara Limited (Previously Puravankara Projects Limited): Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Term loan	1797.62	1,731.69	[ICRA]A- (Stable); Reaffirmed
Short-term –Fund-based loan	0.00	80.00	[ICRA]A2+; Reaffirmed
Long-term – Fund-based – Proposed term loan	696.20	0.00	-
Long-term – Unallocated	505.18	1,077.31	[ICRA]A- (Stable); Reaffirmed
Long-term/ Short-term – Unallocated	1.00	1.00	[ICRA]A- (Stable)/ [ICRA]A2+; Reaffirmed
Short-term – Non Fund-based Facility	0.00	110.00	[ICRA]A2+; Reaffirmed
Total	3,000.00	3,000.00	

*Instrument details are provided in Annexure II

Note: While assigning the ratings, ICRA has taken a consolidated view of Puravankara Limited (PL) and its wholly-owned subsidiary Provident Housing Limited (PHL), given the strong business and financial linkages, and the latter acts as an extended arm for Puravankara Limited for its affordable segment projects.

Rationale

The rating reaffirmation factors in the expected improvement in PL's sales and collections in FY2027, driven by adequate sales velocity across its ongoing and upcoming projects and a healthy launch pipeline, which coupled with steady construction progress is expected to result in improvement in cash flows from operations (CFO). PL has witnessed a healthy growth in sales by 55% to Rs. 7,407 crore and its collections increased by 15% to Rs. 5,004 crore in FY2026 and ICRA expects the collections to grow by 12-14% in FY2027. ICRA notes that the company is in very advanced stages of monetisation of one of its commercial asset in Bengaluru and part proceeds of the same will be deployed towards debt reduction in FY2027, which is likely to support an improvement of the leverage metric, Total Debt/CFO. Further, PL's liquidity position is comfortable with free cash and liquid investments of around Rs. 1,031 crore as of March 2026. The ratings draw comfort from the track record of the Puravankara Group in the residential real estate market. The company has presence in both premium and affordable housing segments and has delivered projects with a cumulative saleable area of over 57 msf as on March 31, 2026.

The company's credit profile remains constrained due to its exposure to the execution and market risks associated with its ongoing projects and sizeable launch pipeline of 8-9 msf in FY2027. The company's total debt increased by 30% to Rs.5,572 crore as of March 2026, driven by investments in land to sustain growth momentum. Consequently, the leverage (measured by total debt/CFO) has increased to more than 4 times in FY2026. However, this is likely to moderate below 4.0 times as of March 2027 driven by the company's debt reduction plans, supported by commercial asset monetisation, along with improvement in the collection from the residential business. The debt levels have historically been high compared to the net working capital gap for its ongoing project portfolio due to the investment in land bank. Consequently, its debt/net working capital remains on a higher side at 2.29 times as on March 31, 2026, and is a key monitorable. The cash flow adequacy ratio (receivables/ (pending construction cost + debt outstanding) is moderate at 43% as of March 2026. ICRA notes that the overall cost of borrowing for the company remains on a higher side, given the sizeable proportion of high-cost borrowings in the total debt profile.

The company's credit profile also remains exposed to the cyclicity inherent in the real estate business, and geographical concentration risk with significant dependence on Bengaluru region (~60% sales value achieved in the last 12 months that ended on March 31, 2026) for its completed, ongoing as well as future projects. ICRA notes that the company has started to diversify its portfolio across various geographies, which should help to reduce its dependency on Bengaluru market in the medium term.

The Stable outlook on the long-term rating reflects ICRA's opinion that the Group's credit profile will be supported by the expected adequate sales velocity, improvement in collections and leverage, while maintaining a comfortable liquidity position.

Key rating drivers and their description

Credit strengths

Estimated healthy growth in collections in FY2027 – PL's reported strong sales growth with pre-sales increasing by 55% YoY to Rs. 7,047 crore and collections also grew by 15% YoY to Rs. 5,004 crore in FY2026. This improvement is expected to sustain, wherein collections are projected to increase by 12-14% in FY2027, supported by healthy sales velocity in ongoing and upcoming projects. This coupled with steady construction progress is expected to result in improvement in CFO.

Established position and brand name – The Puravankara Group has a track record of four decades in the real estate market, primarily in the southern part of India. The Group has demonstrated project execution capabilities with completion of saleable area of over 57 msf as of March 2026, supported by engagement of reputed civil contractors. It has presence in both premium and affordable housing segments under the brands – Puravankara and Provident, respectively. The Group has strong presence in Bangalore and has been able to successfully diversify into new geographies such as Chennai, Kochi in the south and Mumbai and Pune in west, by gaining market share.

Credit challenges

Exposure to execution and market risk given the large expansion plans; high debt to NWC – The company has significant plans of expanding its ongoing portfolio to maintain the growth momentum and gain market share in the existing and new regions. As of March 2026, the company had a projects pipeline of 8-9 msf, to be launched by March 2027, which exposes it to execution and market risks. Nevertheless, the established presence in the industry and its healthy sales performance mitigates these risks to an extent. Further, the company's total debt increased by 30% YoY to Rs. 5,572 crore as of March 2026, primarily to fund investments in land to sustain growth momentum. This increase in debt resulted in Total Debt/CFO increasing to more than 4 times in FY2026, However, an increase in CFO, along with its debt reduction plans supported by monetisation of commercial assets, is likely to reduce total debt/CFO to below 4.0 times as of March 2027. The company's debt levels have historically been high compared to the net working capital gap for its ongoing project portfolio due to the investment in land. Consequently, its debt/net working capital is elevated at 2.29 times as on March 31, 2026, and remains a key monitorable.

Vulnerable to cyclicity in real estate sector – The company remains vulnerable to the inherent risks of the real estate sector, such as susceptibility to declining property prices, a slowdown in economy and reduction in housing demand. The Group has continues to have high dependence on the Bengaluru real estate market, which accounts for almost half of the company's ongoing portfolio. This risk is partially mitigated by the Group's ongoing efforts to diversify its portfolio across multiple geographies, with a strategic emphasis on strengthening its presence in western India. Accordingly, Mumbai and Pune together account for nearly 25% of the launch pipeline.

Environmental and social risks

The real estate segment is exposed to risks of increasing environmental norms affecting operating costs, including higher cost of compliance with pollution control regulations. Environmental clearances are required for commencement of projects and lack of timely approvals can affect its business operations. Impact of the changing environmental regulations on licences taken for property development could create credit risks. In terms of social risks, the trend post-pandemic has been favourable to

residential real estate developers as demand for quality home with good social infrastructure has increased. Further, rapid urbanisation and a high proportion of workforce population (aged 25-44 years) will support long-term demand for the real estate sector in India.

Liquidity position: Adequate

As on March 31, 2026, the company (consolidated) had free cash and liquid investment of Rs. 1,031 crore. Further, the debt repayment of Rs. 1,000-1,100 crore in FY2027 is expected to be met by the CFO. Further, undrawn limits of Rs. 574.2 crore supports the liquidity position. The company will invest Rs. 1,000-1,200 crore per annum towards land acquisitions and commercial development over the next 2-3 years.

Rating sensitivities

Positive factors – The ratings may be upgraded if the company demonstrates sustained momentum in sales and collections, resulting in continued debt reduction through operational cash flows. In addition, the improvement in the debt profile through reduced share of high-cost debt will be a key rating monitorable.

Negative factors – The ratings may be downgraded in case of lower-than-anticipated operational cash flows or high investments in land, resulting in a substantial increase in consolidated debt levels. Specific triggers that could result in a rating downgrade include Gross Debt/CFO remaining higher than 4 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Realty - Commercial/Residential/Retail
Parent/Group support	Not applicable
Consolidation/Standalone	While assigning the rating, ICRA has considered the consolidated financials of Puravankara Limited and its subsidiaries, associates and joint ventures. (Refer Annexure III for list of entities considered for consolidation).

About the company

Puravankara Limited (PL) was incorporated in 1986 as Puravankara Constructions Private Limited in Mumbai. The name was changed to Puravankara Projects Limited, and the company was converted into a public limited company in 1992. Subsequently, it was listed on the BSE and the NSE in August 2007. Puravankara Projects Limited was renamed Puravankara Limited on December 21, 2016. PL is promoted by Mr. Ravi Puravankara (Chairman), who holds 75% of equity shares in the company. PL, apart from Provident Housing Limited (Provident or PHL), has various other joint ventures/subsidiaries, including a wholly-owned construction company (Starworth Infrastructure and Construction Limited).

The Puravankara Group is involved in real estate development with residential assets comprising majority of its portfolio. It is present in both the premium and the affordable housing segments under the brands — Purva and Provident respectively. The Group has major operations in Bangalore with considerable presence in other South Indian cities of Chennai, Hyderabad, Kochi while steadily expanding its presence in Pune and Mumbai. As of March 31, 2026, the Group has completed 95 residential and commercial projects with area of 57 msf (group's economic interest of 50 msf). It currently has 37 msf of area under development (group's economic interest of 32 msf) and has land assets of 40msf (group's economic interest of 35 msf).

Key financial indicators (audited)

PL (consolidated)	FY2025	FY2026
Operating income	2,029.9	3,745.0
PAT	-189.1	57.3
OPBDIT/OI	15.1%	18.6%
PAT/OI	-9.3%	1.5%
Total outside liabilities/Tangible net worth (times)	7.0	8.5
Total debt/OPBDIT (times)	14.1	8.0
Interest coverage (times)	0.6	1.0

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 rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	FY2027		FY2026		FY2025		FY2024	
		Amount rated (Rs. crore)	June 30, 2026	Date	Rating	Date	Rating	Date	Rating
Unallocated limits	Long Term/ Short Term	1.00	[ICRA]A-(Stable)/ [ICRA]A2+	-	-	Jul 29, 2024	[ICRA]A-(Stable)/ [ICRA]A2+	Jun 06, 2023	[ICRA]A-(Stable)/ [ICRA]A2+
				-	-	Mar 21, 2025	[ICRA]A-(Stable)/ [ICRA]A2+	Jan 19, 2024	[ICRA]A-(Stable)/ [ICRA]A2+
Fund-based-Term loan	Long Term	0.00	-	-	-	Mar 21, 2025	[ICRA]A-(Stable)	-	-
Fund-based-Term loan	Long Term	1,731.69	[ICRA]A-(Stable)	-	-	Jul 29, 2024	[ICRA]A-(Stable)	Jun 06, 2023	[ICRA]A-(Stable)
				-	-	Mar 21, 2025	[ICRA]A-(Stable)	Jan 19, 2024	[ICRA]A-(Stable)
Unallocated limits	Long Term	1,077.31	[ICRA]A-(Stable)	-	-	Jul 29, 2024	[ICRA]A-(Stable)	Jun 06, 2023	[ICRA]A-(Stable)
				-	-	Mar 21, 2025	[ICRA]A-(Stable)	Jan 19, 2024	[ICRA]A-(Stable)
Fund-based-Others	Short Term	80.00	[ICRA]A2+	-	-	-	-	-	-
Non-fund based-Others	Short Term	110.00	[ICRA]A2+	-	-	-	-	-	-

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Fund-based – Term loan	Simple
Long-term – Unallocated	Not Applicable
Long-term/ Short-term – Unallocated	Not Applicable
Short-term – Fund-based loan	Simple
Short-term – Non Fund-based Facility	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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Term loan	Dec 2021	-	Dec 2030	1731.69	[ICRA]A- (Stable)
NA	Unallocated	-	-	-	1077.31	[ICRA]A- (Stable)
NA	Unallocated	-	-	-	1.00	[ICRA]A- (Stable)/ [ICRA]A2+
NA	Fund-based loan	-	-	-	80.00	[ICRA]A2+
NA	Non Fund-based Facility	-	-	-	110.00	[ICRA]A2+

Source: Company

Annexure III: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Puravankara Limited	100.00%	Full Consolidation
Prudential Housing & Infrastructure Development Limited	100.00%	Full Consolidation
Centurion Housing and Construction Private Limited	100.00%	Full Consolidation
Melmont Construction Private Limited	100.00%	Full Consolidation
Purva Realities Private Limited	100.00%	Full Consolidation
Grand Hills Development Private Limited	100.00%	Full Consolidation
Purva Ruby Properties Private Limited	100.00%	Full Consolidation
Purva Sapphire Land Private Limited	100.00%	Full Consolidation
Purva Star Properties Private Limited	100.00%	Full Consolidation
Starworth Infrastructure & Construction Limited	100.00%	Full Consolidation
Provident Housing Limited	100.00%	Full Consolidation
T-Hills Private Limited	100.00%	Full Consolidation
Purva Property Services Private Limited	100.00%	Full Consolidation
Varishtha Property Developers Private Limited	100.00%	Full Consolidation
Purvaland Private Limited	100.00%	Full Consolidation
Purva Oak Private Limited	100.00%	Full Consolidation
Provident Meryta Private Limited	100.00%	Full Consolidation
Provident Cedar Private Limited	100.00%	Full Consolidation
Welworth Lanka Holdings Private Limited	100.00%	Full Consolidation
Welworth Lanka (Private) Limited	100.00%	Full Consolidation

Company Name	Ownership	Consolidation Approach
IBID Home Private Limited	100.00%	Full Consolidation
Devas Global Services LLP	100.00%	Full Consolidation
DV InfraHomes Private Limited	60.00%	Full Consolidation
Purva Woodworks Private Limited	100.00%	Full Consolidation
Purva Asset Management Private Limited	100.00%	Full Consolidation
Propmart Technologies Limited	86.00%	Full Consolidation
Purva Good Earth Properties Private Limited	100.00%	Full Consolidation
Pune Projects LLP	68.00%	Full Consolidation
Keppel Puravankara Development Private Limited	49.00%	Equity Method
Sobha Puravankara Aviation Private Limited	89.00%	Full Consolidation
Purva Blue Agate Private Limited	100.00%	Full Consolidation
Purva Shelters Private limited	100.00%	Full Consolidation
PPL Khondapur Private Limited	100.00%	Full Consolidation
PPL Hebbal Developers Private Limited	100.00%	Full Consolidation
Purva Blue Home Ventures Private Limited	100.00%	Full Consolidation
Purva Blue Dwelling Private Limited	100.00%	Full Consolidation
Pune BLR 99 Developers LLP	100.00%	Full Consolidation
Provident White oaks LLP	49.00%	Full Consolidation
NBD Office Parks LLP	51.00%	Full Consolidation
Whitefield Ventures	42.00%	Equity Method
KVN Property Holdings LLP	51.00%	Full Consolidation

Source: Annual Reports and Company, ICRA Research

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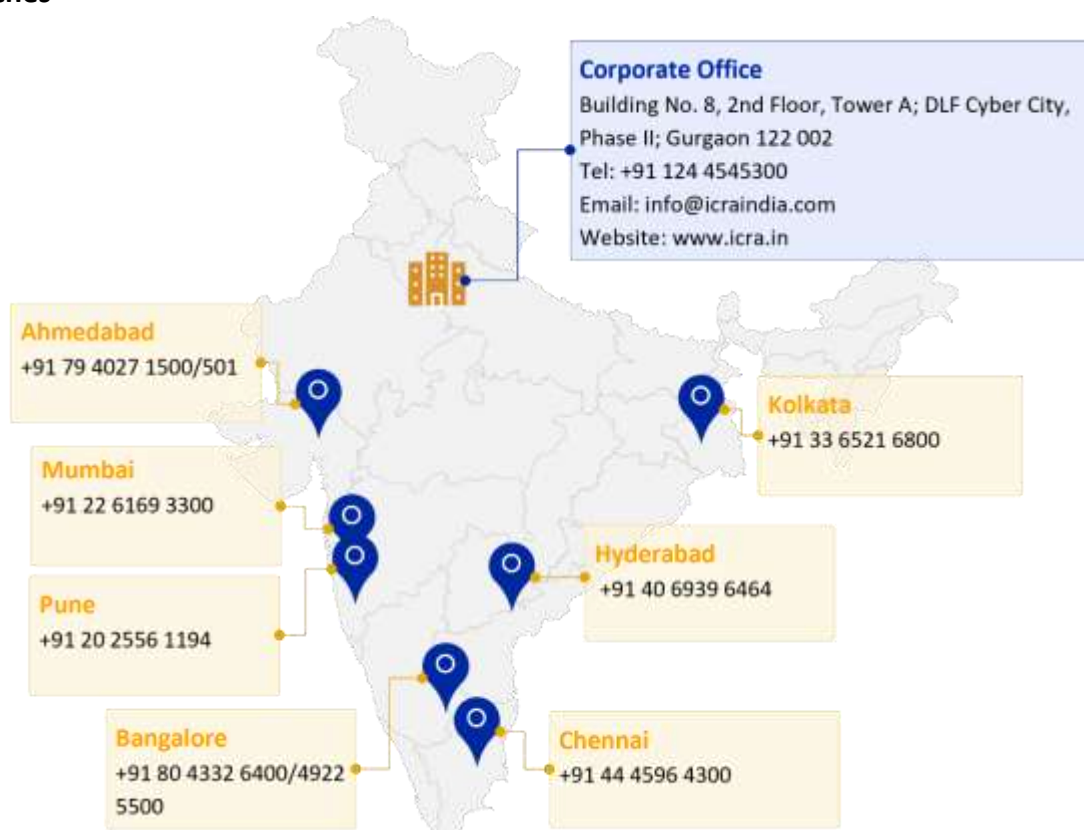
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