

July 07, 2026

Keystone Realtors Limited: Rating upgraded to [ICRA]AA-(Stable)

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating Action
Issuer rating	-	-	[ICRA]AA-(Stable); upgraded from [ICRA]A+ (Stable)
Long-term – Fund-based – Term loans	395.00	395.00	[ICRA]AA-(Stable); upgraded from [ICRA]A+ (Stable)
Long-term – Fund-based – Overdraft	4.10	4.10	[ICRA]AA-(Stable); upgraded from [ICRA]A+ (Stable)
Long-term – Unallocated	600.90	600.90	[ICRA]AA-(Stable); upgraded from [ICRA]A+ (Stable)
Non-convertible debentures	335.00	285.00 [^]	[ICRA]AA-(Stable); upgraded from [ICRA]A+ (Stable)
Non-convertible debentures	40.00	40.00	[ICRA]AA-(Stable); upgraded from [ICRA]A+ (Stable)
Total	1375.00	1325.00	

*Instrument details are provided in Annexure-II

[^]No ISIN has been fully repaid and rated amount is reduced to outstanding amount

Rationale

The rating upgrade reflects the strengthening of Keystone Realtors Limited's (KRL) credit profile, continued strong growth in sales, collections and cash flow from operations (CFO), while maintaining comfortable leverage metrics, which is expected to sustain in the coming years. ICRA expects the sales to grow by 15-20% and both collections and CFO by over 30%, supported by healthy sales and adequate construction progress in its ongoing projects and strong launch pipeline. This follows a robust performance in FY2026, wherein, on a consolidated basis, it reported pre-sales of Rs. 4,022 crore (33% growth), collections of Rs. 2,622 crore (13% growth), and healthy growth in CFO. ICRA expects consolidated debt¹ to remain around Rs. 1,500-1,600 crore by March 2027. Nevertheless, aided by likely improvement in CFO, KRL's leverage metrics, as indicated by total debt to CFO, are likely to remain comfortable below 2.0 times in the coming years (1.7 times as of March 2026). The rating favourably factors in the Rustomjee Group's strong operational track record and established brand presence in the residential real estate market in Mumbai Metropolitan Region (MMR), supported by cumulative deliveries of over 29 msf till March 2026 and strong project saleability. The Group follows an asset-light strategy, by entering into joint development and redevelopment arrangements, which helps to limit capital outlay towards land investments.

The rating, however, is constrained by the company's significant expansion pipeline aimed at strengthening its presence across existing and new micro-markets in the MMR. It has ongoing projects of 8.7 msf and a planned launch pipeline exceeding 21.4 msf over the next 3-4 years, which exposes it to execution and market risks. Nevertheless, these risks are partially mitigated by the Group's demonstrated execution capabilities and timely project delivery over the past ~30 years. Going forward, timely launches, along with healthy sales momentum and construction progress, will remain critical to support cash flow generation. The rating is constrained by KRL's high dependence on the MMR market for both its ongoing and forthcoming projects, exposing it to region-specific demand risks. However, this risk is partly mitigated by the sizeable residential real estate market

¹ Includes unsecured loans of ~Rs. 297.0 crore from JV partners and excludes Rs. 412.3 crore loan from Mt K Resi Development Fund (Category II Alternative Investment Fund) as of March 2026. The loan from Mt K Resi Development Fund is given 100% equity credit as per ICRA's policy on hybrid instruments.

in MMR and the Group's established presence in the region. Additionally, diversification across multiple price segments further mitigates the risk. The company remains susceptible to the cyclical nature in the residential real estate segment.

The Stable outlook on the long-term rating reflects ICRA's opinion that KRL will sustain healthy sales and collections, supported by its established market position, strong operational track record, adequate liquidity and comfortable leverage metrics.

Key rating drivers and their description

Credit strengths

Strong operational performance expected to sustain in FY2027 – In FY2027, ICRA expects the sales to grow by 15-20% and both collections and CFO by over 30%, supported by healthy sales and adequate construction progress in its ongoing projects and strong launch pipeline. This follows a strong performance in FY2026, wherein, on a consolidated basis, it reported pre-sales of Rs. 4,022 crore (33% growth), collections of Rs. 2,622 crore (13% growth), and healthy growth in CFO. Across the portfolio, the company recorded healthy traction, with sales volumes increasing by 25% YoY to 2.1 msf in FY2026, resulting in a portfolio level years-to-sell of ~2.4 years. Additionally, receivables from sold inventory in the completed and ongoing projects remain healthy, covering 63% of the pending cost and outstanding debt in this segment as on March 31, 2026.

Comfortable leverage metrics – The company's total consolidated debt stood at Rs. 1,192 crore as of March 2026 and with further growth in scale anticipated requiring incremental investments towards land acquisitions, ICRA expects consolidated debt to remain around Rs. 1,500-1,600 crore by March 2027. Nevertheless, supported by the expected improvement in CFO, KRL's leverage metrics, as indicated by total debt to CFO, are likely to remain comfortable below 2.0 times going forward (1.7 times as of March 2026).

Strong operational track record and brand strength in MMR – The Rustomjee Group has a strong execution track record across luxury residential real estate, affordable housing, plotted development, townships and commercial spaces, aided by completion of over 29 msf of saleable area as on March 31, 2026. The Group follows an asset-light strategy, primarily undertaking projects through joint development and redevelopment agreements, thereby limiting upfront land investments. Additionally, the Rustomjee brand enjoys strong brand equity supporting robust saleability across its residential projects.

Credit challenges

Exposure to execution and market risks due to large expansion plans – The company has a significant expansion pipeline aimed at strengthening its presence across existing and new micro-markets in the MMR. It has ongoing projects of 8.7 msf and a planned launch pipeline exceeding 21.4 msf over the next 3-4 years, which exposes it to execution and market risks. Nevertheless, these risks are partially mitigated by the Group's demonstrated execution capabilities and timely project delivery over the past ~30 years. Going forward, timely launches, along with healthy sales momentum and construction progress, will remain critical to support cash flow generation.

Geographically concentrated portfolio – The company remains largely dependent on the MMR market for both its ongoing and forthcoming projects, exposing it to region-specific demand risks. However, this risk is partly mitigated by the sizeable residential real estate market in MMR and the Group's established presence in the region. Additionally, diversification across multiple price segments further mitigates the risk.

Susceptibility to cyclical nature in real estate sector – The company remains exposed to inherent risks in the real estate sector, which is cyclical in nature and highly sensitive to macroeconomic conditions, thereby making its sales vulnerable to demand downturns.

Environmental and Social Risks

The real estate segment is exposed to risks of increasing environmental norms impacting 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. The impact of changing environmental regulations on licenses taken for property development could create credit risks.

In terms of social risks, the trend post-pandemic has been favourable for 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 the long-term demand for real estate sector in India.

Liquidity position: Adequate

The company's liquidity is supported with cash and liquid balances of Rs. 818.3 crore as on March 31, 2026. The undrawn bank limits stood at ~Rs. 1,364 crore as on March 31, 2026. Its cash flow from operations are expected to remain sufficient to meet its scheduled debt servicing obligations for FY2027.

Rating sensitivities

Positive factors – The rating may be upgraded if the company is able to significantly increase its sales and collections with improved geographical diversification resulting in a material improvement in operating cash flows and leverage levels on a sustained basis.

Negative factors – The rating may be downgraded in case of a material decline in sales and collections adversely impacting the operating cash flows, significant delays in project execution and and/or significant increase in indebtedness resulting in Total debt/CFO of more than 2.25 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	For arriving at the ratings, ICRA has considered the consolidated financials of KRL. Refer to the Annexure III for the list of entities considered for consolidation.

About the company

Established in 1996, Keystone Realtors Limited is a flagship entity of the Rustomjee Group. It was listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) on November 24, 2022. KRL and its subsidiaries undertake residential and mixed-use projects in MMR under the Rustomjee brand. The Rustomjee Group has a strong execution track record, which develops luxury residential real estate, townships, affordable housing, shopping mall, schools and commercial spaces. It has completed construction for over 29 msf of area, with under-construction projects comprising a saleable area of 8.7 msf and forthcoming developments of around 21.4 msf in pipeline as of March 2026.

Key financial indicators (audited)

KRL Consolidated	FY2025	FY2026
Operating income	2,004	2,635
PAT	199	92

OPBDIT/OI	11%	5%
PAT/OI	10%	3%
Total outside liabilities/Tangible net worth (times)	1.4	1.3
Total debt/OPBDIT (times)	4.3	12.2
Interest coverage (times)	4.2	1.5

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)	Jul 07, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based-Overdraft	Long Term	4.10	[ICRA]AA-(Stable)	May 15, 2025	[ICRA]A+(Stable)	-	-	-	-
				Sep 08, 2025	[ICRA]A+(Stable)	-	-	-	-
				Dec 26, 2025	[ICRA]A+(Stable)	-	-	-	-
Fund-based-Term loan	Long Term	395.00	[ICRA]AA-(Stable)	May 15, 2025	[ICRA]A+(Stable)	May 31, 2024	[ICRA]A(Positive)	Feb 27, 2024	[ICRA]A-(Positive)
				Sep 08, 2025	[ICRA]A+(Stable)	-	-	-	-
				Dec 26, 2025	[ICRA]A+(Stable)	-	-	-	-
Unallocated limits	Long Term	600.90	[ICRA]AA-(Stable)	May 15, 2025	[ICRA]A+(Stable)	-	-	-	-
				Sep 08, 2025	[ICRA]A+(Stable)	-	-	-	-
				Dec 26, 2025	[ICRA]A+(Stable)	-	-	-	-
NCD	Long Term	325.00 [^]	[ICRA]AA-(Stable)	Sep 08, 2025	[ICRA]A+(Stable)	-	-	-	-
				Dec 26, 2025	[ICRA]A+(Stable)	-	-	-	-
Issuer rating	Long Term	-	[ICRA]AA-(Stable)	May 15, 2025	[ICRA]A+(Stable)	May 31, 2024	[ICRA]A(Positive)	Feb 27, 2024	[ICRA]A-(Positive)
				Sep 08, 2025	[ICRA]A+(Stable)	-	-	-	-
				Dec 26, 2025	[ICRA]A+(Stable)	-	-	-	-

[^]No ISIN has been fully repaid and rated amount is reduced to outstanding amount

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 the regulatory purview of various Financial Sector Regulators (FSRs), 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 the regulatory purview of various FSRs, 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 instrument

Instrument	Complexity indicator
Issuer rating	Not applicable
Long-term – Fund-based – Term loans	Simple
Long-term – Fund-based – Overdraft	Simple
Long-term – Unallocated	Not applicable

Long-term – Non-convertible debentures

Complex

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	Overdraft	-	NA	-	4.10	[ICRA]AA- (Stable)
NA	Term loan-I*	FY2024	NA	FY2028	300.00	[ICRA]AA- (Stable)
NA	Term loan-II**	FY2026	NA	FY2028	95.00	[ICRA]AA- (Stable)
NA	Unallocated facility	-	NA	-	600.90	[ICRA]AA- (Stable)
NA	Issuer rating	-	NA	-	-	[ICRA]AA- (Stable)
INE263M07109	Non-convertible debentures	Sep 29, 2025	9.5%	Sep 29, 2028	285.00	[ICRA]AA- (Stable)
NA	Non-convertible debentures	Yet to be issued	NA	NA	40.00	[ICRA]AA- (Stable)

Source: Company; * Includes sublimit of OD of Rs. 75 crore, BG of Rs. 90 crore and LC of Rs. 25 crore; ** Includes sublimit of OD of Rs. 20 crore and BG/LC of Rs. 15 crore.

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Company Name	KRL Ownership	Consolidation Approach
Crest Property Solutions Private Limited	51%	Full Consolidation
Luceat Realtors Private Limited	58%	Full Consolidation
Nouveau Developers Private Limited	73%	Full Consolidation
Firestone Developers Private Limited	73%	Full Consolidation
Premium Build Tech LLP	75%	Full Consolidation
Ronstone Realtors Private Limited	100%	Full Consolidation
Rustomjee Realty Private Limited	100%	Full Consolidation
Rebus Realtors LLP	100%	Full Consolidation
Kapstar Realty LLP	99%	Full Consolidation
Credence Property Developers Private Limited	100%	Full Consolidation
Xcellent Realty Private Limited	100%	Full Consolidation
Imperial Infradevelopers Private Limited	100%	Full Consolidation
Intact Builders Private Limited	100%	Full Consolidation
Dynasty Infrabuilders Private Limited	100%	Full Consolidation
Amaze Builders Private Limited	100%	Full Consolidation
Keystone Infrastructure Private Limited	100%	Full Consolidation
Navabhyudaya Nagar Development Private Limited	100%	Full Consolidation
Enticier Realtors Private Limited	100%	Full Consolidation

Company Name	KRL Ownership	Consolidation Approach
Key Galaxy Realtors Private Limited	100%	Full Consolidation
Keyblue Realtors Private Limited	100%	Full Consolidation
Keyheights Realtors Private Limited	90%	Full Consolidation
Key Interiors Realtors Private Limited	100%	Full Consolidation
Flagranti Realtors Private Limited	100%	Full Consolidation
Keyspace Realtors Private Limited	90%	Full Consolidation
Keysky Realtors Private Limited	100%	Full Consolidation
Ferrum Realtors Private Limited	100%	Full Consolidation
Riverstone Educational Academy Private Limited	100%	Full Consolidation
Keybloom Realty Private Limited	100%	Full Consolidation
Keyorbit Realtors Private Limited	90%	Full Consolidation
Keyvihar Realtors Private Limited	90%	Full Consolidation
Keysteps Realtors Private Limited	100%	Full Consolidation
Key Green Realtors Private Limited	100%	Full Consolidation
Mirabile Realtors Private Limited	100%	Full Consolidation
Keymeadows Realtors Private Limited	90%	Full Consolidation
Keyace Realtors Private Limited	100%	Full Consolidation
Keymajestic Realtors Private Limited	100%	Full Consolidation
Keymarvel Realtors Private Limited	100%	Full Consolidation
Keymont Realtors Private Limited	51%	Full Consolidation
Rustomjee Seaview Realtors Private Limited	100%	Full Consolidation
Oceanhomes Realtors Private Limited	100%	Full Consolidation
Real Gem Buildtech Private Limited	100%	Full Consolidation
Keyedge Realtors Private Limited	100%	Full Consolidation
Keyearth Realtors Private Limited	100%	Full Consolidation
Keybestow Realtors Private Limited	100%	Full Consolidation
Keyelite Realtors Private Limited	100%	Full Consolidation
Keypalm Realtors Private Limited	100%	Full Consolidation
Keyshelter Realtors Private Limited	100%	Full Consolidation
Keyaqua Realtors Private Limited	100%	Full Consolidation
Keyolivia Realtors Private Limited	100%	Full Consolidation
Keymontana Realtors Private Limited	100%	Full Consolidation
Keymarrisa Realtors Private Limited	100%	Full Consolidation
Keyfionna Realtors Private Limited	100%	Full Consolidation
Keyevita Realtors Private Limited	100%	Full Consolidation
Keystella Realtors Private Limited	100%	Full Consolidation
MTK Kapital Private Limited	84%	Full Consolidation
Keymidtown Developers Private Limited	100%	Full Consolidation
Keynivara Realtors Private Limited	100%	Full Consolidation
Keyorion Realtors Private Limited	100%	Full Consolidation
Keyastren Realtors Private Limited	100%	Full Consolidation

Company Name	KRL Ownership	Consolidation Approach
Keyvian Realtors Private Limited	100%	Full Consolidation
Keyamoura Realtors Private Limited	100%	Full Consolidation
Keylinzia Realtors Private Limited	100%	Full Consolidation
Krishika Developers Private Limited	37%	Equity Method
Megacorp Constructions LLP	50%	Equity Method
Valleyscape Infrastructure LLP	32%	Equity Method
Kapstone Constructions Private Limited	51%	Full Consolidation
Jyotirling Constructions Private Limited	50%	Equity Method
Ajmera Luxe Realty Private Limited	50%	Equity Method
Redgum Realtors Private Limited	51%	Full Consolidation
Rostia Realtors Private Limited	51%	Full Consolidation
Key Stone Venture LLP	51%	Full Consolidation
Rustomjee Evershine Joint Venture	50%	Equity Method
Lok Fortune Joint Venture	60%	Full Consolidation
Raj Doshi Exports Private Limited*	-	Full Consolidation

Source: Company data, ICRA Research; *Keystone Realtors Ltd has provided corporate guarantee against the term loan availed by the company

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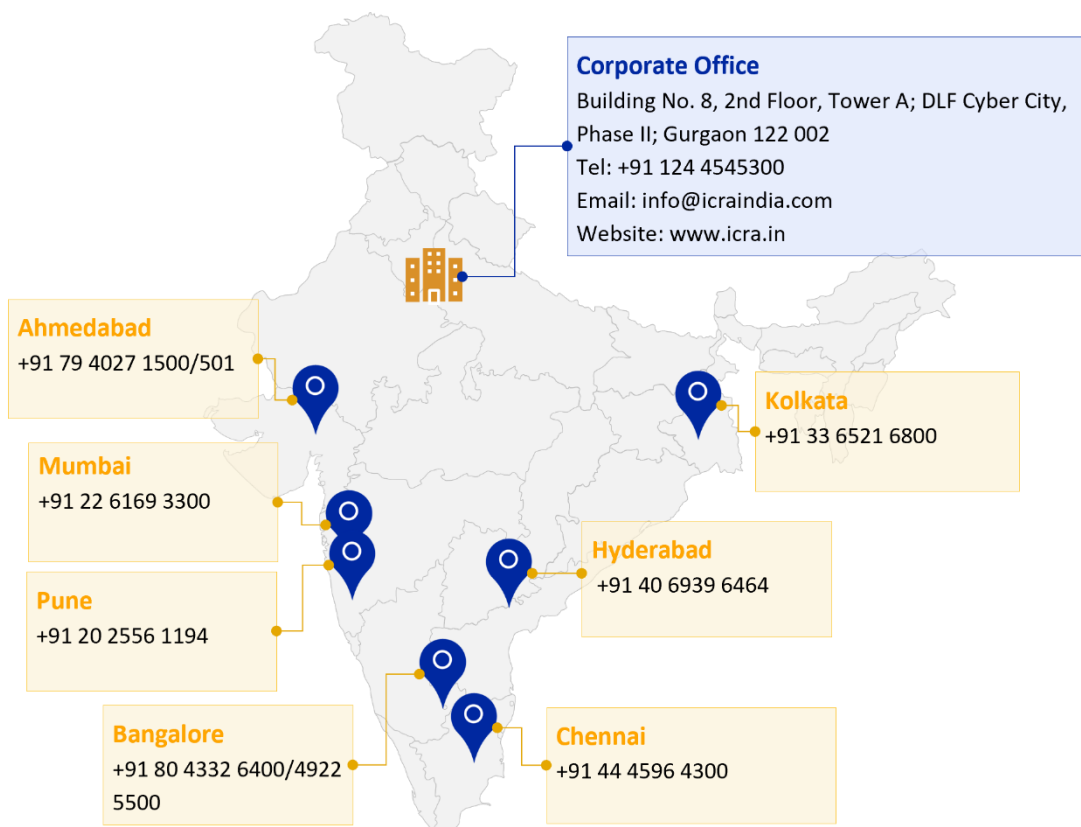


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