

Anant Raj Limited

May 05, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 351.00 Crore	Regulator[^]
Long Term Rating	IVR A-/ Watch with Developing Implication (Rating placed on watch with Developing Implication)	RBI
Short Term Rating	IVR A2+/ Watch with Developing Implication (Rating placed on watch with Developing Implication)	RBI

[^]Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

Rationale

Infomerics Ratings has reaffirmed its rating assigned to the bank facilities for the long-term facilities to IVR A- and IVR A2+ for the short-term bank facilities. The ratings have, however, been placed under Rating Watch with Developing Implications of Anant Raj Limited (ARL).

The reaffirmation of the ratings reflects the significant improvement in the company's scale of operations and profitability, supported by a comfortable capital structure and strengthened debt protection metrics, aided by prepayment of debt. The ratings further factor in the group's established track record, diversified asset base, and favourable locations of its real estate projects. The ratings also draw comfort from strong growth visibility in the data centre business, which is supported by operational capacities, planned scalability, marquee partnerships, and multi-year revenue potential across various initiatives, providing incremental diversification and stability to the cash flows. These strengths are, however, partially offset by execution and sales risks associated with ongoing and upcoming real estate projects, relatively high working capital intensity, exposure to cyclical and regulatory risks inherent in the real estate sector, as well as project concentration risk. Additionally, the data centre segment remains exposed to tenant concentration and lease renewal risks.

Rating watch: RWDI

The rating watch is on account of the recent search conducted by the Enforcement Directorate (ED) on ARL. The Rating Watch will be resolved once there is further clarity on the ED's action and the potential implications on the financial and operational profile of the company.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidated
Parent/ Group Support	Not applicable

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

- **Continuous growing scale of operations and profitability**

The group reported a 38.88% increase in TOI to Rs. 2,059.97 crore in FY25 (FY24: Rs. 1,483.30 crore), supported by higher real estate sales along with rental and other income. Presence of income-generating assets such as leased commercial properties and data centres provides revenue diversification and partial visibility of cash flows. With increase in scale of operations and better absorption of overheads, the EBITDA margin improved by 136 bps and stood at 23.87% in FY25 compared to 22.50% in FY24. Subsequently, the PAT margins also improved significantly by 279 bps and stood at 20.27% in FY25 compared to 17.49% in FY24 supported by improved operational profitability and a decline in interest and finance cost. Further, during 9MFY26, the group has registered a revenue of Rs. 1864.79 crore with a net profit of Rs. 408.31 crore.

- **Comfortable capital structure and improved debt protection metrics marked by prepayment**

The capital structure remained comfortable, with overall gearing improving to 0.12x as on March 31, 2025, from 0.19x as on March 31, 2024, supported by debt reduction and improvement in net worth. The indebtedness level also improved, with TOL/ATNW at 0.27x as on March 31, 2025, compared to 0.35x as on March 31, 2024, due to lower debt, improvement in ATNW and a decline in creditors. Debt protection metrics strengthened, marked by an interest coverage ratio of

44.75x and DSCR of 2.82x in FY25, compared to 9.65x and 1.63x respectively in FY24, supported by higher profitability and scheduled debt repayments. Total debt to EBITDA and total debt to NCA improved to 0.98x and 1.08 years respectively as on March 31, 2025, from 1.88x and 2.10 years as on March 31, 2024, due to reduced debt levels and higher earnings.

- **Established operations with diversified asset base**

ARL has a long operating history in real estate development, supported by the Sarin family's experience in construction and infrastructure activities in NCR. The company has a balanced portfolio comprising residential developments, leased commercial properties, hospitality assets and data centres, which provides a mix of development-linked and recurring rental income. Operational data centre capacity with planned expansion provides diversification beyond traditional real estate development and supports long-term revenue visibility.

- **Favourable location**

The company upcoming projects are strategically located in Gurgaon and Tirupati. The strategic location of the project and the group's reputation provides comfort for the execution and marketability of the project. The project also has proximity and easy access to many famed schools, commercial areas, hospitals, recreational areas and government offices.

Weaknesses

- **Execution and sales risk in real estate projects and working capital intensity**

Timely execution and sales of ongoing residential projects remain critical, as delays or slower-than-expected absorption could impact cash flows and liquidity. The real estate business entails high inventory holding and elongated operating cycle, which may continue to exert pressure on cash flows during expansion phases.

- **Exposure to real estate market cyclicalities and regulatory risk**

The group's performance remains linked to demand conditions, pricing trends and regulatory developments in the NCR real estate market. Delays in approvals, changes in development regulations or compliance requirements could affect project timelines and cost structure.

- **Project concentration risk, tenant concentration and lease renewals**

Most of the project are in the state of Delhi NCR, Haryana, Andra Pradesh and Rajasthan indicating moderate geographic concentration. Any adverse movement in these markets may adversely impact the sales and collections of the company. Rental income is dependent on occupancy levels and timely renewal of leases in commercial and hospitality assets.

Liquidity – Strong

The company's liquidity position remains strong, supported by healthy cash and cash equivalent balances, steady collections from ongoing and completed projects, and funds raised through QIB issuances, which have reduced dependence on debt. Liquidity is further strengthened by positive operating cash flows of Rs. 100.05 crore in FY25 and the resourcefulness of the promoters. However, the average fund-based limit utilisation remains moderately low at 40.23% over the twelve months ended October 2025.

Rating Sensitivities

Upward Factors

- Substantial improvement in the sales and collections in the ongoing projects
- Timely execution and monetisation of projects at competitive rates

Downward Factors

- Significant deterioration in debt protection metrics and overall gearing
- Significant cost overrun and delay in completion of projects resulting in collections lower than expected.

About the Company

ARL, incorporated in 1985 and promoted by the Sarin family, is a Delhi-based real estate company listed on the BSE and NSE, with operations primarily across NCR, Haryana and Rajasthan. The company is engaged in residential and commercial real estate development and currently executing multiple residential projects supported by a fully paid land bank of about 330 acres.

In addition to development activities, ARL has a portfolio of income-generating assets, including leased commercial properties and hospitality assets, which provide recurring rental income. The company has also diversified into data centre and cloud infrastructure, with operational facilities at Manesar and Panchkula (Haryana) having an IT load capacity of around 28 MW. The data centre

business includes colocation and cloud services, with announced plans for capacity expansion and additional investments, complementing the company's rental income profile and overall business mix.

Key Financial Indicators (Consolidated):**(Rs. Crore)**

For the year ended/ As on*	31-03-2024	31-03-2025	9MFY2026
	Audited	Audited	Unaudited
Total Operating Income	1483.30	2059.97	1864.79
EBITDA	333.81	491.67	488.25
PAT	265.93	425.82	408.31
Total Debt	626.74	481.60	-
Tangible Net Worth (ATNW)	3382.69	3867.39	-
EBITDA Margin (%)	22.50	23.87	26.18
PAT Margin (%)	17.49	20.27	21.45
Overall Gearing (times)	0.19	0.12	-
Interest Coverage (times)	9.65	44.75	57.11

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

Financials (Standalone):**(Rs. crore)**

For the year ended/ As on*	31-03-2024	31-03-2025	9MFY2026
	Audited	Audited	Unaudited
Total Operating Income	798.80	1228.60	1097.12
EBITDA	101.20	213.94	285.17
PAT	130.02	219.16	221.45
Total Debt	589.19	420.55	-
Tangible Net Worth (TNW)	2580.11	2730.50	-
EBITDA Margin (%)	12.67	17.41	25.99
PAT Margin (%)	14.50	16.84	20.18
Overall Gearing (times)	0.23	0.15	-
Interest Coverage (times)	5.54	52.77	63.65

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

Applicable Criteria

[Rating Methodology for Infrastructure Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Criteria on consolidation of companies](#)

Status of non-cooperation with previous CRA: None



Any other information: None

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstandi ng (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
					Jan 14, 2026	Oct 16, 2024	Aug 18, 2023
1.	Fund based facilities	LT	272.00	IVR A-/RWDI	IVR A-/Stable	IVR BBB/ Stable	IVR BBB-/Stable
2.	Fund based facilities	ST	29.00	IVR A2+/RWDI	IVR A2+	IVR A3+	IVR A3
2.	Non-fund-based facilities	ST	50.00	IVR A2+/RWDI	IVR A2+	IVR A3+	IVR A3

Annexure 1: Instrument/Facility Details

Name of Facility/ /Securit y	ISI N	Date of Issuance	Coupon Rate/ IRR	Maturit y Date	Size of Facilit y (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	<u>Complexit y Indicator</u>
Term Loan	-	-	-	July 2033	257.00	IVR A-/RWDI	Not applicable	RBI	Simple
Cash Credit	-	-	-	-	15.00	IVR A-/RWDI	Not applicable	RBI	Simple
BG	-	-	-	-	50.00	IVR A2+/RWDI	Not applicable	RBI	Simple
Dropline OD	-	-	-	July 2026	29.00	IVR A2+/RWDI	Not applicable	RBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure 2: Facility wise lender details:

<https://infomericstorage.blob.core.windows.net/uploads/Len Anant Raj 5 May26 71cf270c31.pdf>

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not applicable

Annexure 4: List of companies considered for Consolidated analysis:

S.No	Company Name	% holding as on Mar 31, 2025
1	Adonai Home Private Limited	100%
2	Advance Buildcon Private Limited	100%
3	Anant Raj Cons. & Development Private Limited	100%
4	Anant Raj Cloud Private Limited	100%
5	Anant Raj Digital Private Limited	100%
6	Anant Raj Green Energy Private Limited	100%
7	Anant Raj Realty Private Limited	100%
8	Anant Raj Enterprises Private Limited	100%
9	Ashok Cloud Private Limited	100%

10	Anant Raj Estate Management Services Limited	100%
11	Anant Raj Housing Limited	100%
12	AR Login 4 Edu Private Limited	100%
13	ARE Entertainment Limited	100%
14	Century Promoters Private Limited	100%
15	Echo Properties Private Limited	81.01%
16	Empire Promoters Private Limited	100%
17	Excellent Inframart Private Limited	100%
18	Four Construction Private Limited	100%
19	Glaze Properties Private Limited	100%
20	Green Valley Builders Private Limited	100%
21	Green Way Promoters Private Limited	100%
22	Grandstar Realty Private Limited	100%
23	Hamara Realty Private Limited	100%
24	Jai Govinda Ghar Nirman Limited	100%
25	Jasmine Buildwell Private Limited	100%
26	North South Properties Private Limited	100%
27	Pasupati Aluminium Limited	100%
28	Pelikan Estates Private Limited	100%
29	Pioneer Promoters Private Limited	100%
30	Rolling Construction Private Limited	79.61%
31	Romano Builders Private Limited*	100%
32	Romano Estates Private Limited	100%
33	Romano Estate Management Services Limited	100%
34	Romano Infrastructure Private Limited	100%
35	Romano Projects Private Limited^	75%
36	Rose Realty Private Limited	100%
37	Saiguru Buildmart Private Limited^	75%
38	Sartaj Developers & Promoters Private Limited	100%
39	Sovereign Buildwell Private Limited	100%
40	Spring View Developers Private Limited	75%
41	Sheetij Properties Private Limited*	100%
42	Tumhare Liye Realty Private Limited	100%
43	Vrittanta Real Estate Private Limited	100%
44	Woodland Promoters Private Limited	100%

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	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 lenders/Loans from Multilaterals	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	Borrowing programme ~	Refer foot note
15	Issuer Ratings #	Refer foot note
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) @	Investor-side Regulator such as IRDAI, PFRDA

Footnotes:

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

~ 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 may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In Press Release(s) subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

@ These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.

Analytical Contact**Vipin Jindal****(011) 45579024****vipin.jindal@infomerics.com****About Infomerics**

Infomerics Valuation and Rating Ltd. ("Infomerics") [Formerly known as Infomerics Valuation and Rating Private Limited], a SEBI-registered and RBI-accredited credit rating agency, is dedicated to delivering independent, transparent, and research-driven ratings. Licensed for credit rating operations since 2015, Infomerics has empowered investors with reliable insights to make informed credit decisions. Driven by robust frameworks and methodologies, enriched by sectoral depth, and defined by analytical precision, Infomerics evaluates a wide spectrum of borrowers including MSMEs, large corporates, banks, NBFCs, state governments, municipal bodies, infrastructure projects, REITs, and InvITs— covering the entire range of debt instruments. With a strong pan-India presence anchored by its Head Office in Delhi and Corporate Office in Mumbai, alongside branches in major cities, Infomerics has rapidly expanded its footprint. Its joint venture in Nepal further underscores its growing influence across South Asia. Over the past decade, Infomerics has emerged as a rapidly expanding force in the credit rating space, achieving broad market recognition and building enduring trust among investors, institutions, and issuers.

For more information and definitions of ratings, please visit www.infomerics.com.

Disclaimer: Infomerics ratings are independent opinions on the credit risk of the issue/issuer as of the date they are assigned and do not constitute statements of fact or recommendations to buy, hold or sell securities. The rating reflects Infomerics' opinion on the relative credit risk of the rated instrument or entity at the time it is assigned. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are based on information and data provided by the issuer or obtained from sources believed by Infomerics to be accurate and reliable. Infomerics does not conduct any audit, due diligence or independent verification of the rated issuer or of the information provided to it unless specifically required under applicable regulatory guidelines. The credit ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities. While reasonable care has been taken to ensure the accuracy of the information herein, it is provided on an 'as is' basis and to the maximum extent permitted by law without warranty of any kind. Infomerics makes no representation or warranty, express or implied, regarding the accuracy, adequacy, timeliness, or completeness of any information contained in this report. All entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. Infomerics, or any of its group companies, may have provided other permissible services other than credit ratings to the rated issuer in the ordinary course of business. To the maximum extent permitted by applicable law, in no event shall Infomerics, its affiliates, or their respective directors, officers, shareholders, employees, or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special, or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income, lost profits, or opportunity costs) arising from any use of this report. Any person accessing or using this report shall do so at their own risk. Infomerics shall have no obligation to update, revise or supplement this report after its publication except as required under applicable regulatory guidelines. The ratings and reports issued by Infomerics are intended for use in accordance with applicable laws and regulatory requirements governing credit rating agencies in India.