

Raymond Realty Limited

July 14, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	1,000.00	CARE A+; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

For rating assessment of Raymond Realty Limited (RRL), CARE Ratings Limited (CareEdge Ratings) has adopted consolidated approach as RRL executes projects through its subsidiaries, special purpose vehicles (SPVs) and joint ventures (JVs).

The rating assigned to bank facilities of RRL derives strength from strong operational performance supported by healthy booking status in the intermediate stage of execution, consistent improvement in annual bookings and collections of the company, and favourable market position, particularly in Thane real estate market. The rating also factors in the company's strong financial risk profile marked by current net debt free status and healthy committed receivable coverage position. The rating also factors in the presence of resourceful promoter group and experienced management profile which provides healthy financial flexibility to the company, being part of Raymond Group.

However, rating strengths remain constrained by execution and marketing risk associated with sizeable development plans in the pipeline, limited track record in real estate development, moderate though improving scale of operations and limited geographic presence, and inherent cyclicity associated with real estate sector. The company's ability to timely launch planned projects, ramp up collections, while maintaining a comfortable financial risk profile, will remain a key rating monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained growth in overall booking and collections, with significant improvement in receivable coverage ratio on a sustained basis.
- Significant advancement in the execution of ongoing project portfolio.

Negative factors

- Significant decline in bookings and collections on a sustained basis due to lower-than-envisaged sales momentum.
- Slowdown in project portfolio execution.
- Significant debt addition in ongoing/new projects leading to increase in gross debt/collection beyond 0.80x on sustained basis.

Analytical approach: Consolidated

CareEdge Ratings has taken a consolidated approach for analysing RRL. Subsidiaries/associates/joint ventures and the parent company, RRL, have been consolidated, as these entities are in the same line of business and linked through a parent-subsidary relationship. The entities have common management, and significant financial linkages. Annexure-6 details the list of companies considered in the consolidation.

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectation that RRL will sustain healthy residential sales and collections, supported by upcoming launches, a strong market position, and favourable demand conditions, while maintaining a comfortable financial risk profile.

Detailed description of key rating drivers:

Key strengths

Strong operational efficiency and upcoming launches to drive momentum

As on March 31, 2025, the company (on consolidated basis) has sold over 70% total revenue potential of ongoing projects. Among ongoing projects, the company (consolidated) has sold over 90% area in three Thane-based projects, over 60% in two Thane-based projects and over 45% in recently launched project in recently launched project in Bandra. Of seven ongoing projects, six projects are being executed in Thane which are housed under RRL and one project in Bandra housed under Ten X Realty Limited

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

(TXRL). All these projects witnessed healthy sales momentum supported by well-established brand name, 'Raymond' and favourable end user demand scenario.

In FY25, on a consolidated basis, RRL sold an area of 8.6 lakh square feet (Isf) with booking value of over ₹2,000 crore (FY24: ₹2,201 crore) and collected ~₹1,745 crore (FY24: ₹1,518 crore). The group has plans to launch 4-5 new projects in FY26 and FY27, which will be driving the sales and collection momentum ahead.

From execution perspective, the company incurred ~54% total estimated cost of ongoing projects as on March 31, 2025, indicating a moderate level of execution risk.

Strong financial risk profile

On a consolidated basis, RRL's financial risk profile remains strong supported by its current net debt free status and favourable leverage position determined by low debt/collections of under 0.30x over the last three years. Despite RRL's portfolio is in intermediate stage, it has maintained a healthy committed receivables ratio (committed receivables from sold units to outstanding debt plus balance construction cost), at 63% for ongoing projects. While there may be some volatility owing to new launches, the metrics are expected to remain stable over medium term, driven by healthy sales velocity anticipated in its upcoming projects aligned with its past track record and sustained low leverage aligned with group's asset light expansion strategy.

Experienced and resourceful promoter group

RRL (market cap: ~₹6,025 crore as on July 07, 2025) is a part of the Raymond Group, having demerged from Raymond Limited (RL) and listed on the stock exchange as on July 01, 2025. The group has a strong presence across diversified business segments, including textiles, engineering, and real estate. Gautam Singhania, who has been on RL's board since 1990, now serves as the chairman of Raymond Realty Limited and is actively involved in overseeing its operations. The company is also supported by a team of qualified professionals having significant experience of over two decades in real estate industry. The promoter group holds a significant stake across three listed group entities - Raymond Lifestyle Limited (RLL), RL, and RRL - with a combined market capitalisation exceeding ₹18,000 crore as on July 07, 2025. As a result, RRL benefits from the strong financial flexibility associated with being part of the Raymond Group.

Sizeable land bank

As on March 31, 2025, the group has sizeable land bank of 60 acres with gross development potential of over ₹16,000 crore. These land parcels are completely owned by the company and are in Thane, Mumbai. Accordingly, the company draws significant flexibility for its expansion plans.

Key weaknesses

Execution and market risk associated with ongoing and future development

RRL, through its subsidiaries, plans to launch five new projects in emerging micro-markets through five joint development agreements (JDAs) over the next year, encompassing a total carpet area of over 30 Isf and a project cost exceeding ₹8,000 crore. This expansion exposes the group to considerable execution and marketing risks. Developer remains exposed to competition from established players in these markets, and adverse demand fluctuations could further elevate execution risk. Considering two of these five projects involve slum rehabilitation, the group is also subject to regulatory risks and depends on the timely completion of the rehabilitation component. Consequently, the timely completion, ongoing execution and expansion in the real estate sector while maintaining comfortable financial risk profile will remain monitorable.

Geographical concentration risk

RRL has executed majority projects in Thane, resulting in high concentration of operations and exposure to micro market dynamics of the region. RRL is exploring micro-markets in the MMR region, and a project was launched in Bandra in FY24. The company now plans to enter new micro real estate markets in MMR such as Sion, Wadala, and Mahim, where largely redevelopment projects/slum rehabilitation is planned to be undertaken. Establishment of RRL's presence in these new geographies is yet to be seen and will remain monitorable.

Limited track record of real estate development and moderate scale of operations

The group is currently executing seven ongoing projects (excluding one in TXRL) with total carpet area of close to 45 Isf. The group launched its first project – Ten X Habitat in 2019 in Thane, where it delivered eight towers of the 10 towers ahead of RERA timelines, indicating execution capabilities of the company. However, overall scale of development remains limited even after completion of ongoing towers. While the ongoing projects are progressing as scheduled, the timely completion and delivery of the real estate projects across different development cycles remains to be seen. With consistent launches, the bookings and collections are improving, however, they stand moderate in the range of ₹1,500-2,200 crore over the last three years, indicating moderate scale of operations.

Inherent risk associated with execution of large-scale projects amid cyclical real estate industry

The company is exposed to cyclical risk associated with the real estate sector, which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. In case real estate companies, profitability depends highly on property markets, a high-interest rate scenario could further discourage consumers from borrowing to finance real estate purchases and may depress the real estate market.

Liquidity: Strong

As on March 31, 2025, RRL maintained healthy cash and cash equivalents of ₹480 crore, entirely covering the upcoming FY26 debt repayments obligations of ~₹80 crore. The group has receivables from sold inventory of over ₹2800 crore, which provides cash flow visibility over medium term and majorly covers balance project cost and outstanding debt. Accordingly, the cash flow from the company's operations are expected to remain comfortable to service its upcoming debt obligations.

Assumptions/Covenants: Not applicable**Environment, social, and governance (ESG) risks:** Not applicable**Applicable criteria**
[Consolidation](#)
[Definition of Default](#)
[Factoring Linkages Parent Sub JV Group](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Financial Ratios – Non financial Sector](#)
[Rating methodology for Real estate sector](#)
About the company and industry**Industry classification**

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Realty	Realty	Residential, commercial projects

RRL is the flagship real estate development company of the Raymond Group. Effective May 14, 2025, RRL was demerged from Raymond Ltd (RL) and subsequently listed on July 01, 2025. On a consolidated basis, RRL has seven ongoing projects in Thane and Bandra, spanning over 45 lakh square feet (Isf). The group's first project, Ten X Habitat, comprising 10 towers in Thane, has received occupancy certificates for eight towers, delivering 13 Isf developed area.

Consolidated

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	3.59	565.41
PBILDT	-18.78	64.04
PAT	-44.30	17.77
Overall gearing (times)	-5.78	0.18
Interest coverage (times)	-0.70	1.30

A: Audited; Note: these are latest available financial results

Standalone

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	0.00	0.00
PBILDT	-0.02	-0.07
PAT	-0.35	-0.09
Overall gearing (times)	-1.06	0.00
Interest coverage (times)	-0.02	-2.92

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable**Any other information:** Not applicable**Rating history for last three years:** Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Term Loan-Long Term		-	-	May 31, 2027	1000.00	CARE A+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Term Loan-Long Term	LT	1000.00	CARE A+; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Ten X Realty Limited	Full	
2	Ten X Realty West Limited	Full	
3	Ten X Realty East Limited	Full	

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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