

Nila Spaces Limited

February 04, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	125.00	CARE BBB; Stable	Assigned
Issuer rating	-	-	Reaffirmed at CARE BBB; Stable and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Rating assigned to bank facilities of Nila Spaces Limited (NSL) derives strength from the experienced promoters having a proven track record of completing infrastructure and real estate projects on time, strong financial risk profile backed by a healthy tangible net worth (TNW), low reliance on external debt and adequate liquidity. Rating also considers healthy customer response for its two ongoing projects, VIDA and PRANA, at Gujarat International Finance Tec (GIFT) city, Gandhinagar, leading to healthy bookings and sound collection efficiency.

However, rating is constrained considering inherent execution and saleability risks for ongoing projects, geographical concentration of its operations and inherent cyclicity associated with the real estate sector.

CARE Ratings Limited (CareEdge Ratings) has reaffirmed and withdrawn the outstanding issuer rating of 'CARE BBB; Stable' assigned to NSL with immediate effect on request of NSL.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Successful completion of on-going project and realisation of envisaged profit therein leading to significant improvement in the company's financial risk profile.
- Healthy bookings from the upcoming project, leading to the committed receivables being more than pending construction cost and outstanding term debt.

Negative factors

- Delay in receipt of advances from booked units or slower-than-envisaged bookings in the upcoming projects leading to increase in unsold inventory.
- Availment of higher-than-envisaged borrowings resulting in deterioration of overall gearing to above 1.00x.
- Cost overrun by over 20% in ongoing projects.
- Time overrun in execution of on-going projects by over six months from scheduled date of completion (SCOD).

Analytical approach: Consolidated

The consolidated financials of NSL including its subsidiary, Nila Urban Living Private Limited (NULPL), are considered for analysis. Analytical approach has been revised from standalone to consolidated as NULPL, which was non-operational earlier, is now undertaking a residential cum commercial project in GIFT City, Gujarat.

Details of subsidiaries consolidated are listed under Annexure-6.

Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectation that NSL shall benefit from the established presence of the group in the real estate market, favourable location of the project and healthy bookings in ongoing projects.

Detailed description of key rating drivers:

Key strengths

Experienced promoter group

Promoted by Vadodaria family, NSL is a part of Ahmedabad-based Sambhaav group, which has a proven track record of over three decades in execution of infrastructure and real estate development projects. Currently, NSL's operations are managed by the third generation of the family, Deep Vadodaria, who has over 15 years of experience in the industry.

On group level, NILA has executed over 70 projects, with total area of ~180 lakh square feet (Isf) and total residential units of ~26,000 in the last three decades.

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

Healthy booking and collection momentum in ongoing projects

NSL is currently executing two projects with a total saleable area of 8.86 lsf in GIFT city, Gandhinagar.

As on November 30, 2025, NSL has received bookings for ~3.94 lsf (PY: ~3.00 lsf), representing 45% of the total saleable area, at an agreement value of ₹633.77 crore (PY: ₹476.81 crore). Against these sold units, NSL realised customer advances of ₹419.37 crore (PY: ₹278.54 crore), demonstrating a sound collection efficiency of 66% (PY: 58%).

The committed receivables from sold units are sufficient to cover ~23% (PY: 20%) of NSL's balance project cost (of both projects) and outstanding debt. NSL's ability to sustain healthy sales momentum in its ongoing projects and ramp-up bookings and collections while maintaining its healthy capital structure shall remain key rating monitorable.

Comfortable capital structure

NSL continues to maintain comfortable capital structure supported by a healthy TNW and low debt levels. The company reported an overall gearing of 0.16x (PY: 0.01x) and a total outside liabilities (TOL) to TNW ratio of 1.21x (PY: 0.80x) as on March 31, 2025.

NSL has availed term loan of ₹125 crore for VIDA project, which was partly disbursed, moderating overall gearing to 0.63x as on September 30, 2025. Nevertheless, NSL is envisaged to maintain a comfortable capital structure considering a sound collection efficiency and a structured sweep-in clause regarding loan repayment for VIDA project.

Key weaknesses**Implementation risk associated with on-going projects with dependence on customer advances.**

NSL is presently executing two projects, each at different stages of development.

Launched in September 2022, VIDA is at a moderate stage of execution, with ~68% (PY: 39%) of its total project cost (₹485.55 crore) being incurred as of November 30, 2025.

Launched in June 2025, PRANA is at a nascent stage of execution, with ~14% of its total project cost (₹826.03 crore) being incurred as of November 30, 2025.

The funding structure for both projects shows a significant dependence on customer advances, which account for ~65% of the overall project cost. The remaining requirement is to be met through promoter contributions (14%) and debt (21%). Although this high level of customer advances lowers the need for external borrowings, it also exposes projects to potential cash flow volatility. Notable slowdown in sales velocity may create funding gaps, necessitating additional debt drawdowns to support project completion.

Geographical concentration risk

NSL's project portfolio remains geographically concentrated in and around Ahmedabad, which exposes the company's growth prospects to macro and socio-political upheavals in the region. The government's continued investments in key infrastructure projects, including the GIFT city, are anticipated to enhance the city's appeal as a preferred destination for residential living and commercial activity.

Inherent cyclical nature of real estate Industry

NSL is exposed to the cyclicity associated with the real estate sector, which has direct linkage with general macroeconomic scenario, interest rates and level of disposable income available with individuals. Profitability of real estate companies highly depends on property markets. A high-interest rate scenario could discourage consumers from borrowing to finance real estate purchases and might depress the real estate market.

Liquidity: Adequate

NSL's liquidity position remains adequate, supported by satisfactory customer collections and healthy sales momentum across its ongoing projects.

As on November 30, 2025, the committed receivables from its sold inventory stood at ₹214.40 crore, forming ~23% of total pending construction cost and outstanding debt. As on September 30, 2025, NSL has cash and liquid investment of ₹43.33 crore, supplemented by access to undrawn limits of ₹55 crore, providing sufficient liquidity cushion. Repayment for term loan will commence from July 2027, providing adequate cushion for the repayment.

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Issuer Rating](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[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

Incorporated in 2000, NSL (CIN: L45100GJ2000PLC083204) is part of the Ahmedabad-based Sambhaav Group. NSL is currently executing a luxury residential project 'VIDA' with a total carpet area of 4.25 lsf and project 'PRANA' with a total carpet area of 4.61 lsf, at GIFT city, Gandhinagar.

In July 2024, NILA has incorporated a new subsidiary company namely Nila Urban Living Private Limited (NULPL) where NSL holds 90% equity stake, with balance held by Go Green Infrastructure Private Limited. NULPL is executing project PRANA, while project VIDA is being executed directly under NSL.

Brief Financials (Consolidated) (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	90.71	135.80	135.22
PBILDT*	11.17	33.27	39.98
Profit after tax (PAT)	13.42	14.67	19.36
Overall gearing (x)	0.01	0.16	NA
Interest coverage (x)	2.34	2.07	2.18

A: Audited UA: Unaudited; NA: Not available; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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
Fund-based-Long Term	-	-	-	August 2031	125.00	CARE BBB; Stable
Issuer Rating-Issuer Ratings	-	-	-	-	0.00	Withdrawn

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	Issuer Rating-Issuer Ratings	LT	-	-	1)CARE BBB; Stable (04-Feb-26)	1)CARE BBB; Stable (12-Nov-24)	-	-
2	Fund-based-Long Term	LT	125.00	CARE BBB; 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	Fund-based-Long Term	Simple

Annexure-5: Lender detailsTo 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	Nila Urban Living Private Limited	Full	Subsidiary

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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