

PRATHAM INFRA TECH PRIVATE LIMITED

May 15, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	735.00	CARE BBB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

The rating assigned to proposed bank facilities of Pratham Infratech Private Limited (PIPL) considers the company's established operational profile, reflected in healthy occupancy levels at the mall, supported by a diversified tenant base and decent footfall. The rating continues to derive comfort from the experienced sponsor group with a demonstrated track record in real estate development, and favourable location of the mall in a well-developed catchment area, which supports sustained leasing demand and stable rental income.

However, the rating is constrained by the company's moderate financial risk profile, which is expected to witness some softening with the proposed debt addition, leading to a near-term impact on leverage and coverage indicators. The rating also factors in inherent renewal risks associated with lease agreements, given expiry of lock-in periods for a portion of tenants, and concentration of revenues from a single asset. The company remains exposed to cyclicality of the real estate sector, which may impact tenant demand and cash flow stability in the medium term.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Maintenance of debt to rental ratio at 6.5x or below.
- Presence of debt service reserve account (DSRA) and escrow account with well-defined waterfall mechanism in proposed debt facility.

Negative factors

- Declining occupancy levels below 90% on a sustained basis.
- Un-envisaged significant debt addition leading to deteriorating debt-to-rental to over 7x on a sustained basis.
- Decline in rental income as a result of vacancies or realisation of lower rental rates, leading to decline in cash coverage ratio (CCR) below 1.10x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectations that the company will continue to generate adequate cash flows driven by healthy occupancy level and envisaged escalations.

Detailed description of key rating drivers:

Key strengths

Established sponsor

The company benefits from the support of an established and experienced sponsor group with a demonstrated track record in developing and managing real estate assets across residential, commercial, and retail segments. Sponsors' extensive industry experience, their capabilities in project execution, and leasing and asset management, provides comfort with respect to the company's operational stability and growth prospects.

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

Reputed clientele with healthy occupancy levels

The company has strong and well-diversified tenant profile at Vegas Mall, comprising reputed brands such as SPAR, Home Centre, Nike, Puma, Skechers, Levi's, Pantaloons, and The Raymond Shop, and key anchors in entertainment and food and beverage (F&B) segments, including PVR, Timezone, Hamley's, and Social. Presence of such established tenants supports high occupancy levels (~98%) and decent footfall, which in turn provides stability to rental income and improved revenue share-based rentals enhancing overall cash flow visibility. The tenant mix across categories also reduces concentration risk to an extent and supports sustained leasing demand.

Favourable location of the mall

The mall is strategically located in Dwarka, Delhi, within a well-developed residential and commercial catchment area with good connectivity. The location benefits from a dense population base and limited presence of comparable retail assets in the immediate vicinity, supporting consistent footfall and tenant traction. This locational advantage, and the mall's established positioning, provides strong visibility for sustained occupancy and stable rental performance in the medium term.

Key weaknesses**Moderate financial risk profile**

The company's financial risk profile is characterised by a comfortable leverage position under the existing debt structure with only debt of ~Rs.180 crs, which is likely to moderate upon availing the proposed debt facility. In case of the existing term loan, leverage indicators remain comfortable, with debt/earnings before interest, taxation, depreciation, and amortisation (EBITDA) at 1.66x and debt/rental at 1.45x for FY26. However, with increase in debt on refinancing through the proposed ₹735 crore facility, leverage metrics are expected to weaken, with debt/EBITDA projected in the range of 6-8x and debt/rental is expected to remain above 6x in the medium term, despite gradual improvement as rental income escalates. The proposed loan is expected to have stipulation of Debt-Service Reserve Account (DSRA) of 3 months and ring fencing of cash flow through escrow account with defined waterfall mechanism and maintenance of these conditions in case of the proposed facility will be monitorable.

Loan-to-value (LTV) ratio, which is currently comfortable at ~12%, is expected to increase to ~60% in the medium term post the proposed debt addition, before improving thereafter with asset value accretion and debt amortisation. Though currently comfortable with CCR at 1.73x, debt coverage indicators are expected to moderate ~1.15-1.20x in the medium term, with improvement expected over time supported by stabilisation in cash flows. The Company is developing service apartments and two hotels in the vicinity of the mall which are under construction and ~80% completed. However, there is no debt outstanding for construction of these assets and additional debt apart from the proposed LRD is not envisaged. Overall, the financial risk profile remains sensitive to timely ramp-up in rental income and incremental debt raising, which will remain key monitorable.

Inherent renewal risk for lease agreements

The company has entered medium-to-long term lease agreements with its tenants, typically ranging between 5-10 years, which exposes it to renewal risk upon expiry of these leases. A portion of the leasable area is expected to come up for renewal in the medium term, and timely renewal or replacement of tenants without material impacts on rentals will remain critical from a credit perspective.

While the tenant profile comprises established brands, such as SPAR, Pantaloons, PVR, Nike, and Home Centre, which lends stability, expiry of lock-in periods for majority tenants exposes the company to potential vacancy or rental renegotiation risks. However, this risk is partly mitigated by tenants' significant fit-out investments and favourable location of the mall, which supports tenant stickiness. Sustaining occupancy levels and rental stability through timely renewals or adequate tenant replacement will remain a key monitorable in the medium term.

Revenue and geographical concentration risk

The company derives its entire cash flows from a single retail asset, exposing it to concentration risk with respect to revenue streams and geography. The asset performance remains susceptible to local market dynamics, including downturn in demand or emergence of competing retail developments in the vicinity.

However, risk is partly mitigated by the mall's established positioning, strong occupancy levels, and favourable location within a well-developed catchment area in Dwarka region in NCR, which supports decent footfall and tenant demand.

Exposure to cyclical in real estate sector

The company remains exposed to inherent cyclical in the real estate sector, with performance linked to macroeconomic conditions, interest rate movements, and overall consumption trends. Prolonged high-interest rate environment or adverse regulatory developments could impact leasing activity, tenant demand, and overall occupancy levels, exerting pressure on cash flows.

Liquidity: Adequate

The company maintains an adequate liquidity position, supported by financial buffers in form of fixed deposits and escrow balances. As of December 31, 2025, it held fixed deposit of ~₹45 crore with Axis Bank and escrow balances of ~₹0.6 crore. These buffers provide support towards meeting its near-term debt obligations, including scheduled repayments of ~₹47 crore in FY26 and ~₹70 crore annually thereafter. The liquidity profile depends on generation of steady operational cash flows.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Rating methodology for Debt backed by lease rentals](#)

About the company and industry

Industry classification

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

PIPL is a Delhi-based real estate developer engaged in development, construction and management of commercial, retail and mixed-use projects. The company is promoted by Unity Group, RP Group, and HL Group, with Unity Group holding a majority stake. Its flagship asset, Vegas Mall in Dwarka, is a well-established retail destination in South-West Delhi. The company benefits from strong leasing capabilities and a diversified tenant profile, supporting stable rental income.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	145.64	128.36
PBILDT*	69.19	73.59
Profit after tax (PAT)	32.79	37.01
Overall gearing (x)	1.94	1.49
Interest coverage (x)	2.75	3.11

A: Audited; UA: Unaudited; 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/Non-fund-based-Long Term		-	-	-*	735.00	CARE BBB; Stable

*Proposed facility

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 2026-2027	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
1	Fund-based/Non-fund-based-Long Term	LT	735.00	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/Non-fund-based-Long Term	Simple

Annexure-5: Lender details

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

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments ²
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (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 Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI

²SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments ²
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
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 @

* 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), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details and names of respective regulators.

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

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.

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

Note: For facilities / 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.

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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