February 25, 2026

Ansal Housing Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term - Non-fund based - Others	50.00	50.00	[ICRA]D; Reaffirmed
Short-term - Fund-based - Cash credit	22.55	22.55	[ICRA]D; Reaffirmed
Total	**72.55**	**72.55**	

**Instrument details are provided in Annexure-I*

Rationale

The rating reaffirmation for the bank facilities of Ansal Housing Limited (AHL) factors in the continued irregularities in debt servicing by AHL on account of poor liquidity due to weak project collections. The cash inflows from the projects remain inadequate to meet the required obligations on time. Although the company has pending collections of Rs. 265 crore, which is sufficient to cover the pending cost of around Rs. 203 crore as of September 2025, incremental sales generated from the unsold inventory valued at Rs. 464 crore as of September 2025 and improvement in collections will remain critical for the company to ensure timely debt servicing from its operating cash flows. ICRA notes that the company, at a consolidated level, has modest cash flow from operations against high debt repayment obligations. AHL defaulted on Rs. 45.46 crore of debt as of December 2025, which had been assigned to Suraksha Asset Reconstruction Company Limited (SARC) for restructuring of debt by HDFC Bank.

ICRA, however, takes into account that the promoters' long presence in the industry, which have helped the Group to establish strong relationships with its customers and key suppliers. This resulted in a diversified project portfolio in terms of micromarket, thus enabling it to cater to a wide clientele.

Key rating drivers and their description

Credit strengths

Experienced promoters with established track record in real estate industry – The Ansal Group and its promoters have been involved in the real estate industry for more than four decades. The promoters' long presence in the industry resulted in strong relationships with the key suppliers, which has enabled the company to diversify its project portfolio in terms of micromarkets, which helps to cater to a wide clientele. It has presence in metro cities as well as in tier-1 and tier-2 cities, namely Delhi, Mumbai, Gurgaon, Ghaziabad, Agra, Meerut, Indore, Alwar, Ajmer, etc.

Credit challenges

Delays in debt servicing – There have been delays in debt servicing by the company due to weak collections from its projects. Its cash flows are inadequate to meet its debt obligations in a timely manner.

High reliance on incremental sales and collections to meet debt obligations – While the pending collections of Rs. 265 crore is sufficient to cover the pending cost of around Rs. 203 crore as of September 2025, incremental sales generated from the unsold inventory valued at Rs. 464 crore as of September 2025 and collections thereof will remain critical for the company to ensure timely debt servicing from its operating cash flows.

Modest cash flow from operations – The company, at a consolidated level, has modest cash flow from operations against high debt repayment obligations. AHL defaulted on Rs. 45.46 crore of debt as of December 2025, which had been assigned to

Suraksha Asset Reconstruction Company Limited (SARC) for restructuring of debt by HDFC Bank.

Environment 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 the changing environmental regulations on licences taken for property development could create credit risks.

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

Liquidity position: Poor

The company's liquidity is poor due to a deficit in cash flow because of slow sales velocity and weak customer collections. It has debt overdue of Rs 45.46 crore as of December 2025. The generation of incremental sales and collections will remain critical to ensure timely debt servicing from its operating cash flows.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if the company is timely in its debt servicing over an adequate period**,** and reports an improvement in its sales and cash flows on a sustained basis.

Negative factors – Not Applicable

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Realty - Lease Rental Discounting (LRD) Corporate Credit Rating Methodology Policy on Default Recognition
Parent/group Support	Not Applicable
Consolidation/standalone	For arriving at the rating, ICRA has taken a consolidated the financials of AHL and its subsidiaries as given in Annexure II

About the company

Incorporated in 1983, AHL is a part of the Ansal Housing Group. The company develops residential as well as commercial real estate properties. AHL has already completed various projects encompassing an area of about 76 million square feet (msf) in Delhi, Mumbai, Meerut, Lucknow and Ghaziabad, among others. At present, it has more than 25 msf of area under development.

Key financial indicators (audited)

Ansal Housing Limited (Consolidated)	FY2024	FY2025	9M FY2026*
Operating income	463.6	443.0	271.4
PAT	7.9	18.1	-8.8
OPBDITA/OI	17.6%	6.7%	9.6%
PAT/OI	1.7%	4.1%	-3.3%
Total outside liabilities/tangible net worth (times)	13.4	9.7	NA
Total debt/OPBDITA (times)	7.2	12.4	NA
Interest coverage (times)	1.0	0.7	0.9

*Source: Company, ICRA Research;*Unaudited; All ratios are as per ICRA's calculations; Amount in Rs. crore.*

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; NA: Not available

Status of non-cooperation with previous CRA

CRA	Rating Action	Date of Release
India Ratings	IND D (ISSUER NOT COOPERATING)	Jan 12, 2026

Source: India Ratings rationale

Any other information: Not applicable

Rating history for past three years

	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	FY2026			FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs crore)	Feb 25, 2026	Date	Rating	Date	Rating	Date	Rating
Non-fund based - Others	Long Term	50.00	[ICRA]D	Feb 19, 2025	[ICRA]D	Feb 27, 2024	[ICRA]D	-	-
Fund-based - Cash credit	Short Term	22.55	[ICRA]D	Feb 19, 2025	[ICRA]D	Feb 27, 2024	[ICRA]D	-	-
Fund-based - Cash credit	Long Term	-	-	-	-	Feb 13, 2024	[ICRA]D	-	-
				-	-	Aug 29, 2023	[ICRA]D ISSUER NOT COOPERATING	-	-
				-	-	Apr 06, 2023	[ICRA]D	-	-
Unallocated limits	Long Term	-	-	-	-	Feb 27, 2024	[ICRA]D	-	-
Non-fund based - Others	Short Term	-	-	-	-	Feb 13, 2024	[ICRA]D	-	-
				-	-	Aug 29, 2023	[ICRA]D ISSUER NOT COOPERATING	-	-
				-	-	Apr 06, 2023	[ICRA]D	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term - Non-fund based - Others	Simple
Short-term - Fund-based - Cash credit	Simple

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'scredit 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 I: Instrument details

ISIN	Instrument name	Date of issuance / sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
NA	Short-term – Fund-based -Cash credit	-	-	-	22.55	[ICRA]D
NA	Long-term-Non fund based	-	-	-	50.00	[ICRA]D

Source: Company

Annexure II: List of entities considered for consolidated analysis

Company	Ownership	Consolidation Approach
Ansal Housing Limited (Holding Company)	-	Full Consolidation
Optus Corona Developers Pvt Ltd (Associate Entity)	49.88%	Equity Method
Subsidiary Companies		
Housing & Construction Lanka Private Limited	100.00%	Full Consolidation
Geo Connect Limited	100.00%	Full Consolidation
Wrangler Builders Pvt Ltd	100.00%	Full Consolidation
Maestro Promoters Pvt Ltd	100.00%	Full Consolidation
Anjuman Buildcon Pvt Ltd	100.00%	Full Consolidation
A.R. Paradise Pvt Ltd	100.00%	Full Consolidation
Fenny Real Estate Pvt Ltd	100.00%	Full Consolidation
A.R. Infrastructure Pvt Ltd	100.00%	Full Consolidation
Third Eye Media Pvt Ltd	100.00%	Full Consolidation
Aevee Iron & Steel Works Pvt Ltd	100.00%	Full Consolidation
Sunrise Facility Management Pvt Ltd	100.00%	Full Consolidation
Andri Builders & Developers Pvt Ltd	100.00%	Full Consolidation
VS Infratown Pvt Ltd	100.00%	Full Consolidation
Identity Buildtech Pvt Ltd	100.00%	Full Consolidation
Cross Bridge Developers Pvt Ltd	100.00%	Full Consolidation
Shamia Automobiles Pvt Ltd	100.00%	Full Consolidation
Oriane Developers Pvt Ltd	100.00%	Full Consolidation

Source: Company; ICRA Research

ANALYST CONTACTS

Ashish Modani
+91 22 6169 3300
ashish.modani@icraindia.com

Valapreddy Anupama Reddy
+91 40 6939 6427
anupama.reddy@icraindia.com

Sweta Shroff
+91 124 4545 307
sweta.shroff@icraindia.com

Siddhartha Sharma
+91 124 4545 327
siddhartha.sharma@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

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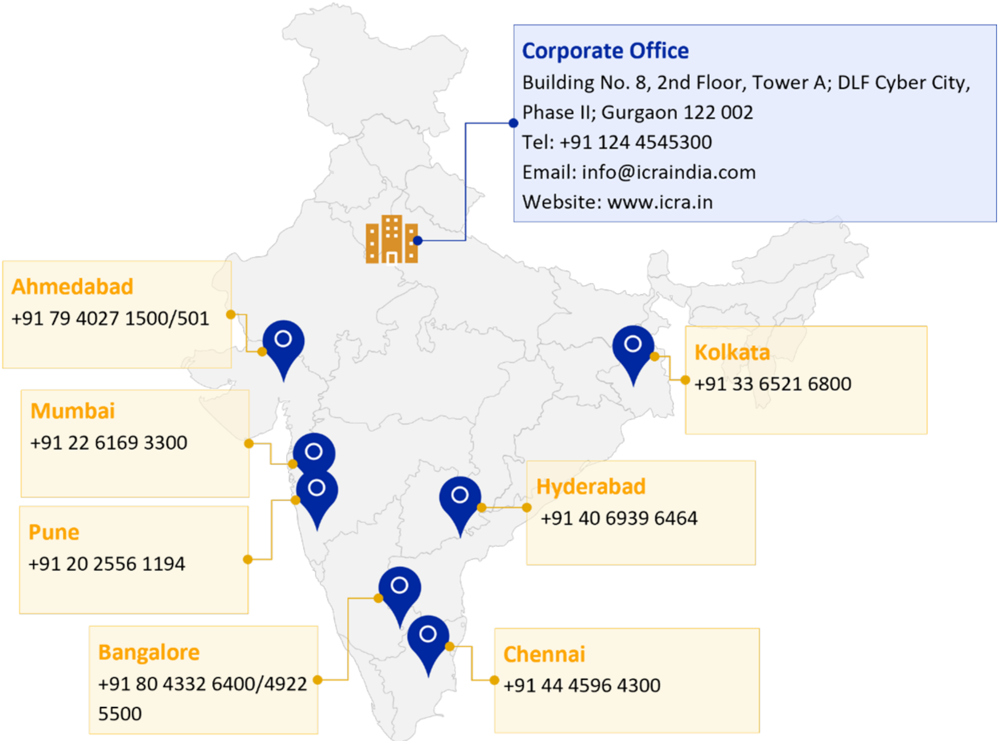
ICRA Limited

Registered Office

B-710, Statesman House 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches



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