AGI Infra Limited

October 29, 2025

Ratings

Sl. No.	Instrument/ Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
1.	Long Term Bank Facilities	89.21	IVR BBB+/Stable; Withdrawn (IVR Triple B Plus with Stable Outlook; Withdrawn)	IVR BBB+/Stable (IVR Triple B Plus with Stable Outlook)	Rating reaffirmed and simultaneously Withdrawn	Simple
2.	Short Term Bank Facilities	51.00	IVR A2; Withdrawn (IVR A Two; Withdrawn)	IVR A2 (IVR A Two)	Rating reaffirmed and simultaneously Withdrawn	Simple
	Total	**140.21**	**Rupees One Hundred Forty Crore and Twenty One Lakhs Only**			

Details of Facilities/Instruments are in Annexure 1.
Facility wise lender details are at Annexure 2.
Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Valuation and Rating Limited (IVR) has reaffirmed the long-term rating to IVR BBB+ with Stable outlook and short-term rating to IVR A2. Simultaneously, the rating assigned to the bank loan facilities of AGI Infra Limited has been withdrawn with immediate effect. This action has been taken at the request of AGI Infra Limited and based on the 'No Objection Certificates' received from Bank of Baroda, Central Bank of India, Punjab National Bank, State Bank of India, and Capital Small Finance Bank respectively, which had extended the rated facilities. The rating is being withdrawn in accordance with Infomerics' Policy on Withdrawal of ratings.

The rating continues to draw comfort from the experienced promoters with long track record of operations, project execution capabilities, regulatory approvals in place and comfortable project cost structure coupled with favourable saleability. However, these rating strengths are partially offset by project execution risk for ongoing projects, reliance on customer advances, geographical concentration risk, and exposure to risks relating to cyclicality in the real estate industry

The 'Stable' outlook indicates that the company is expected to continue benefiting from its favourable saleability coupled with industry outlook and adequate cashflow coverage for timely payment of dues.

IVR has principally relied on the audited financial results of AGI Infra Limited’s up to 31 March 2025 (i.e. review period from 1st April 2024 to 31st March 2025), and Cash flow projections for FY2026, FY2027 and FY2028 and publicly available information/ clarifications provided by the company’s management.

Key Rating Sensitivities: Not Applicable

List of Key Rating Drivers with Detailed Description

A. **Key Rating Strengths**

- **Established Promoters with established track record:**

With nearly two decades of experience in residential and commercial real estate development, the promoters of the company have successfully delivered over 87.34 lakh square feet of real estate space. The company has built a solid reputation and brand recognition in the Jalandhar real estate market since 2005, with a focus on residential projects and a select few in the commercial sector.

The promoters, including Mr. Sukhdev Singh, the driving force behind AGI Infra Limited (the flagship company of the AGI Group), bring over 15 years of expertise in the real estate industry. Their strong developmental track record and deep market knowledge have helped establish a trusted presence in Jalandhar and Ludhiana. Going forward, the group's extensive experience and proven execution capabilities will continue to fuel its growth and expansion in key regional markets.

- **Strong project execution capabilities**

The group has demonstrated strong execution capabilities, as reflected in its successful track record of completed projects. It collaborates with renowned architects, marketing agents, and consultants, all of whom have established themselves as leaders in the industry. Additionally, the group’s ongoing projects in Jalandhar and Ludhiana are designed with modern facilities and amenities, ensuring high standards of quality and functionality.

- **Major regulatory approvals already in place for the ongoing projects**

All major regulatory approvals are in place for the ongoing projects. The required land has been acquired and building permits have been secured for all active developments. The group has obtained necessary approvals from relevant authorities, including the police department, airport authority, urban land ceiling, height clearance, microwave, water, electricity, fire & emergency, and environmental clearances. Additionally, all ongoing projects are fully compliant with the Punjab Real Estate Regulatory Authority (PRERA).

- **Comfortable project cost structure & favourable saleability:**

AGI is currently developing ten projects at a total project cost of Rs 2,022.25 crore as of September 2025. The project cost is proposed to be funded through debt of around Rs 144.87 crore (accounting for ~7.16% of the project cost), promoter contribution of Rs 130.00 crore (accounting for ~6.43% of total project cost) and remaining Rs 1,747.38 crore through customer advances (accounting for ~86.41% of total project cost).

Key Rating Weaknesses

- **Project execution risk for ongoing projects:**

'AGI Group's' Ongoing Projects are in the early to mid-stage of development. The company has spent around 37.12% of the total estimated project cost till June 30, 2025. However, long experience of the group in the real estate sector reduces the risk to an extent.

- **Reliance on customer advances**

Major part of the cost for the on-going projects is expected to be funded out of customer advance which in turn is contingent upon the ability of the company to market its projects and timely collection of its receivables. The total project cost for all the projects was estimated at Rs. 2,022.25 crore to be funded by debt of Rs. 144.87 crore, promoters fund of Rs.130.00 crore and customer advances of Rs. 1,747.38 crore. Any delay delays in customer payments or a slowdown in sales could impact cash flow and delay project progress. Timely sales and efficient collection of customer advances are critical to ensuring the smooth execution of these projects. However, the company's strong market presence and track record of successful project delivery somewhat mitigate these risks, as it is well-positioned to manage cash flow and secure steady progress in its ongoing projects.

- **Geographical concentration risk**:

The company's operations are predominantly focused in Jalandhar and Ludhiana, which limits its geographical diversification and exposes it to regional risks, including changes in local regulations, market fluctuations, and infrastructure challenges. Despite this concentration, the company's deep local expertise and established presence in these cities provide a strong foundation to mitigate such risks. The steady demand in these regions, driven by ongoing urban development and residential expansion, ensures a consistent cash flow and supports the company's ability to manage and execute projects efficiently.

- **Exposure to risks relating to cyclicality in the real estate industry**

Being a cyclical sector, the real estate industry is inherently sensitive to macroeconomic conditions, interest rate fluctuations, and policy changes. The company's dependence on a specific geography (NCR) further amplifies this risk. Additionally, the sector remains exposed to regulatory uncertainties, which can materially affect project cash flows. These factors may impact the company's debt servicing ability, making effective risk management critical.

Analytical Approach: For arriving at the ratings, INFOMERICS has applied its rating methodology as detailed in the rating criteria below. IVR has analysed AGI Infra Limited's credit profile by considering the standalone financial statements of the 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
- Policy on withdrawal of ratings

Liquidity – Adequate

The company is projected to maintain an adequate level of inflow and the same is expected to increase gradually with increase in bookings. In addition, availability of escrow mechanism along with DSRA/ISRA account will ensure the smooth repayments. Overall liquidity position is expected to be adequate.

About the Company

AGI Infra Limited (AGI) was founded in May 2005 as G.I. Builders Private Limited by Mr. Sukhdev Singh Khinda and Mrs. Salwinderjit Kaur. In 2011, the company was rebranded to its current name, AGI Infra Limited. Headquartered in the state of Punjab, AGI Infra limited is engaged in development and construction of world class Group Housing, Office space, commercial, Institutional buildings and township projects. Since its listing on the Bombay Stock Exchange in 2015, AGI has established a strong track record of completing 14 projects, delivering approximately 90.44 lakh square feet (LSF) of real estate space over the past two decades.

Financials (Standalone):

(Rs. crore)

For the year ended*/As on	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	292.32	324.87
EBITDA	75.54	92.54
PAT	52.11	66.67
Total Debt	137.67	137.42
Tangible Net worth	221.54	285.90
EBITDA Margin (%)	25.84	28.48
PAT Margin (%)	17.29	19.76
Overall Analysed Gearing Ratio (x)	0.62	0.48
Interest Coverage Ratio (x)	10.38	7.31

**Classification as per Infomerics' standards*

Status of non-cooperation with previous CRA: Nil.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	**Amount outstanding (Rs. Crore)**	**Rating**	**Date(s) & Rating(s) assigned in 2024-25** (August 5, 2024)	**Date(s) & Rating(s) assigned in 2023-24** (June 07, 2023)	**Date(s) & Rating(s) assigned in 2022-23**
1.	Fund Based	Long Term	89.21	IVR BBB+/ Stable; Withdrawn	IVR BBB+/ Stable	IVR BBB+/ Stable	-
2.	Fund Based	Short Term	39.00	IVR A2; Withdrawn	IVR A2	IVR A2	-
3.	Non Fund Based	Short Term	12.00	IVR A2; Withdrawn	IVR A2	IVR A2	-

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About Infomerics:
Infomerics Valuation and Rating Limited (Infomerics) [Formerly Infomerics Valuation and Rating Private Limited] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	March 2028	40.00	IVR BBB+/Stable; Withdrawn
Term Loan	-	-	August 2028	4.21	IVR BBB+/Stable; Withdrawn
Term Loan	-	-	December 2026	20.00	IVR BBB+/Stable; Withdrawn
Term Loan	-	-	June 2028	25.00	IVR BBB+/Stable; Withdrawn
Overdraft	-	-	-	39.00	IVR A2; Withdrawn
Bank Guarantee	-	-	-	12.00	IVR A2; Withdrawn

Annexure 2: Facility wise lender details: Len-AGIInfra-29Oct25.pdf

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable.

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at Complexity Level of Rated Instruments/Facilities.