



Press Release
TRENDSQUARES REALTY LLP
September 10, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	150.00	ACUITE BBB- Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	150.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned its long-term rating of ‘**ACUITE BBB-**’ (read as **ACUITE triple B minus**) on the Rs.150.00 Cr. bank loan rating of Trendsquares Realty LLP (TR). The outlook is ‘**Stable**’.

Rationale for rating assigned

The rating assigned considers the long-standing experience and established track record of promoter i.e. Trendsquare group for around two decades in the real estate business. The group has completed construction of over 4.55 million sq. ft. of area over the last 2 decades in Bangalore region. However, the rating remains constrained due to moderate project-related risks associated with Project Akino. These include implementation risk, with only ~12 per cent of the project cost incurred to date, as well as offtake and funding risks. Further, the rating also factors the susceptibility of company's operations towards inherent cyclicity in the real estate industry, geographical concentration and regulatory risks associated with it.

About the Company

Bangalore based Trendsquares Realty LLP (TR) was established in 2011 as SVS Constructions and later name changed to Trendsquare Realty LLP. The current partners of the firm are Ms. Lakshmi Prasanna Ramireddy and Mr. Ramireddy Rajasekhar Reddy and it is engaged in the construction of residential projects.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of TR to arrive at the rating.

Key Rating Drivers

Strengths

Experienced promoters with established track record of operations of group in the industry

Mr. Rajasekhar Reddy Ramireddy, along with his wife Ms. Lakshmi Prasanna Ramireddy, has been a key promoter of the business, bringing nearly two decades of experience in the residential real estate sector in Bengaluru, Karnataka. They have successfully executed construction projects totalling approximately 4.55 million square feet. The rating derives comfort from the promoters’ extensive experience in real estate development. Acuite believes that their proven track record and deep industry knowledge will continue to support and benefit TR over the near to medium term.

Strategic Location, Connectivity, and Project Specifications

TR is currently developing its project, Akino, located in the Panathur region of East Bengaluru—a rapidly growing area with excellent connectivity to IT parks, educational institutions, healthcare facilities, and entertainment hubs. This strategic location offers both daily convenience and long-term value appreciation. Construction commenced in April 2025 on a portion of an 8-acre land parcel acquired by the promoter in 2014 for approximately Rs.30 crore, with the current development spanning 4.3 acres. The project features a mix of 3 and 4 BHK luxury apartments across three blocks, designed to cater to varied family needs and investor preferences. Spread over 4.7 acres, it includes a 22,794 sq. ft. clubhouse and premium amenities such as an infinity-edge pool, co-working spaces, fitness zones, and senior citizen areas. Acuite believes that the strategic location of the project would help

attract customers and augment cash flows in a timely manner.

Healthy Sales Momentum and comfortable cash flow position

TR has demonstrated robust demand for its Akino project, having sold approximately Rs. 228.4 crore worth of inventory that is equivalent to 35 percent of total units within just four months of its launch as on August 2025. This early traction has been supported by a combination of promoter equity and customer advances, enabling the company to incur around 12 per cent of the total construction cost. Units are currently being sold at a rate of ~Rs.10,000 per sq. ft., reflecting strong market acceptance. A term loan of Rs.150 crore has been sanctioned for the project, with repayment structured on a sales/surplus-linked basis. Importantly, the loan carries a moratorium period of 27 months from first draw down, providing a significant buffer for managing cash flows during the initial phase. The project is estimated to achieve an average debt service coverage ratio (DSCR) of 1.3 times over the loan tenure. Additionally, the sale of remaining inventory worth Rs.138.3 crore is expected to fully cover the remaining project costs, further reinforcing the financial viability.

Weaknesses

Moderate Project Risk

Project 'Akino' is at a very nascent stage and most of the required approvals have already been obtained with ~12 per cent of project cost incurred. However, the project implementation risk is mitigated to an extent which is supported by the group's strong track record of timely project completion. Offtake risk remains moderate as well, with the project's strategic location in Panathur, Bengaluru driving early sales of 35 per cent of inventory sold with Rs. 55.4 crore of customer advances received within four months. The project faces moderate funding risk with Rs. 173.00 crore of sold receivables, and the remaining requirements for project completion would be supported by a tied-up term loan of Rs. 150.00 crore which is expected to be drawn down in September 2025. Acuite believes that the overall project risk even though remains moderate, any uncertainty due to challenges in the real estate market or delays in collections from the inventory could impact the cash flows as well as project completion and thus remains a key rating monitorable.

Exposure to Industry Cyclicity, Regulatory Risks, and Geographical Concentration

The group remains exposed to the inherent cyclicity of the real estate sector, which is characterized by volatile cash flows and is closely linked to fluctuations in property prices and interest rates. The industry is highly fragmented, with most developers operating within specific cities or regions, leading to intense competition particularly from larger, more established players. Additionally, the firm's operations are geographically concentrated in Bangalore. The sector is subject to frequent and unpredictable regulatory changes, including those related to stamp duty and registration taxes, which can impact demand and delay project execution.

Rating Sensitivities

- Ontime completion of project without any time and cost overruns
- Adequate realization of its customer advances from sold and unsold inventory
- Significant changes in regulations affecting demand and prices

Liquidity Position

Adequate

The liquidity profile of the project is assessed as adequate, supported by receipt of customer advances to the tune of Rs. 55.4 crore and sold receivables amounting to Rs.173 crore as of August 2025. Additionally, the firm has secured a term loan of Rs.150.00 crore to meet the remaining construction and project-related costs. Liquidity is expected to be further strengthened through incremental sales. The loan structure includes a moratorium period of 27 months from the first drawdown, offering a substantial buffer for managing cash flows during the initial stages of execution. The average debt service coverage ratio (DSCR) is estimated to be at ~ 1.3 times during the tenure of the loan.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	15.77	8.80
PAT	Rs. Cr.	7.75	0.73
PAT Margin	(%)	49.17	8.31
Total Debt/Tangible Net Worth	Times	0.17	0.86
PBDIT/Interest	Times	0.00	0.00

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Real Estate Entities: <https://www.acuite.in/view-rating-criteria-63.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
LIC Housing Finance Ltd.	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2029	150.00	Simple	ACUITE BBB- Stable Assigned

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About Acuité Ratings & Research

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