

Coevolve East End Ventures LLP

March 04, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	70.00	CARE BB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

While assigning the rating, CARE Ratings Limited (CareEdge Ratings) has taken the combined cashflows of Coevolve Estates Private Limited (CEPL) and Coevolve East End Ventures LLP (CEEV). These entities are together referred as the Coevolve group.

The rating assigned to the Coevolve group reflects its relatively limited track record in executing residential real estate projects and its modest net worth base. Sales progress across ongoing projects remains subdued—Misty Shores has not yet been launched for sale, and sales velocity at Florenza has moderated in H1FY26. The group's ability to launch the Misty Shores project in a timely manner and achieve the envisaged sales and collection levels will remain a key rating monitorable.

CareEdge Ratings also notes the group's plans to launch multiple projects over the next 12–18 months. While this strategy will broaden its product portfolio and enhance market presence, it will simultaneously increase execution and marketing risks.

However, the rating continues to derive comfort from the group's established track record of completing projects ahead of the timelines stipulated by the Real Estate Regulatory Authority (RERA). The construction progress of the ongoing projects is also satisfactory. Despite moderation in sales velocity for the Florenza project, the level of unsold inventory in the project remains comfortable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Maintaining satisfactory sales velocity across ongoing projects resulting in improvement in receivable coverage of over 35%.

Negative factors

- Slow sales velocity resulting in unsold inventory of over 36 months.
- Delay in project execution.

Analytical approach: Combined

Combined cashflows of CEPL and CEEV are analysed due to strong operational, financial, and managerial linkages between the entities. Moreover, both entities have launched the projects under 'Coevolve' brand name. CEPL has extended corporate guarantee to secure bank facilities of CEEV. Entities combined are mentioned under Annexure-6.

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectation that the group's operations will remain steady over the medium term, supported by sustained demand for residential projects in Bengaluru.

Detailed description of key rating drivers:

Key weaknesses

Modest scale of operations

With more than two decades of operations, the group has completed eight residential projects with a cumulative saleable area of 13 lakh sq. ft., and two layout developments. It is currently executing two projects—Coevolve Florenza and Coevolve Misty Shores—together comprising 8.65 lsf of saleable area, of which the group's share is 5.44 lsf. Additionally, the group plans to

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

launch four new projects over the next 12–18 months. However, its capability to manage multiple projects simultaneously remains to be seen, as it has historically undertaken only one project at a time.

Moderate sales progress

Overall sales progress across the two ongoing projects stands at a modest 42% as on September 30, 2025. The Florenza project has achieved healthy traction with ~61% of its inventory sold, whereas the Misty Shores project is yet to be launched for sale. Historically, the group has focused on developing mid to upper-mid segment residential projects; however, with Misty Shores, it has forayed into the luxury housing segment. Although construction for Misty Shores has commenced, the management has intentionally deferred opening bookings. This strategy aims to progress construction to a meaningful stage before initiating sales, providing prospective buyers with greater confidence regarding timely project completion. Timely launch of Misty Shores project and achievability of envisaged sales value and collection would be key rating monitorable. At the same time, sales velocity of Florenza project has moderated in recent quarters, however, unsold inventory levels continue to remain satisfactory.

Inherently exposed to concentration risk and cyclicity associated with real estate industry

The group's business significantly depends on the performance of real-estate market, primarily in Bengaluru, where its entire project portfolio is located. Being a cyclical industry, real estate depends on macroeconomic factors and the group's dependence on a particular geography further heightens such risk.

Key strength

Satisfactory construction progress

The Group has a demonstrated track record of completing the projects in timely manner. Construction progress in both the ongoing project appears to be satisfactory and is likely to be completed within the RERA mentioned timelines. As on September 30, 2025, 77% and 22% of construction cost has been incurred in Florenza and Misty Shores, respectively.

Liquidity: Stretched

The group's liquidity is constrained marked by its low receivables' coverage of ~19% as on September 30, 2025, which necessitates the group to improve its sales velocity and collections. The group has reported combined cash and cash equivalent of ₹3.5 crore as on September 30, 2025, and had undrawn bank lines of ₹82 crore.

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 Real estate sector](#)

[Consolidation](#)

About the company and industry

Industry classification

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

CEEV is undertaking construction of residential project, 'Coevolve Mistry Shores' with total saleable area of 3.3 lsf (company share- 1.68 lsf). The project is at Whitefield in Bengaluru.

Brief Financials- Combined (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	September 30, 2025 (UA)
Total operating income	17.36	31.46	22.13
PBILDT	5.99	7.25	4.14
PAT	1.92	4.63	2.46
Overall gearing (times)	1.62	1.53	NA
Interest coverage (times)	1.56	4.61	2.69

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

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	September 30, 2025 (UA)
Total operating income	0.00	0.00	0.00
PBILDT*	-0.03	-0.08	-0.12
Profit after tax (PAT)	-0.03	-0.08	-0.12
Overall gearing (x)	NM	NM	NM
Interest coverage (x)	0.00	NM	NM

A: Audited UA: Unaudited; NM: Not Meaningful, 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 - LT-Term Loan	-	-	-	December 2028	70.00	CARE BB; Stable

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	Fund-based - LT-Term Loan	LT	70.00	CARE BB; 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 - LT-Term Loan	Simple

Annexure-5: Lender details

To 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	Coevolve Estates Private Limited	Full	Operational and financial linkages

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.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in</p>	<p>Analytical Contacts</p> <p>Karthik Raj K Director CARE Ratings Limited Phone: +91-80-4662 5555 E-mail: karthik.raj@careedge.in</p> <p>Himanshu Jain Associate Director CARE Ratings Limited Phone: +91-80-4662 5528 E-mail: himanshu.jain@careedge.in</p> <p>Gautami Shanker Lead Analyst CARE Ratings Limited E-mail: Gautami.Shanker@careedge.in</p>
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