Hi-Speed Enterprises LLP

September 07, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term Bank Facilities	RBI	75.00	CARE BB-; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of the ratings assigned to the bank facilities of Hi-Speed Enterprises LLP (HSEL) factors in the low booking status of its ongoing residential real estate project, 'Freedom Towers'. The ratings continue to remain constrained by HSEL's limited liability partnership constitution and its presence in the cyclical and highly fragmented real estate industry. The ratings also consider the stretched liquidity and the project's dependence on future sales for funding requirements.

The ratings take cognisance of the construction progress achieved over the past year, with six of the ten towers completed and balance construction expected to be completed ahead of RERA deadline. The ratings continue to draw comfort from the promoters' extensive experience and the project's favourable location.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in sales traction with more than 30% of units booked, accompanied by healthy collections leading to improved cash flows.
- Timely completion of the remaining construction within the estimated cost and funding estimates.

Negative factors

- Slower than envisaged bookings of unsold units resulting in time and cost overrun in execution of on-going project.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects HSEL will derive benefit from the experience of the promoters in the real estate industry and completion of the ongoing project is expected within the estimated time and cost parameters, with the timely receipt of funds from customers.

Detailed description of key rating drivers

Key weaknesses

Project saleability risk

HSEL is developing a residential project in the name of "Freedom Towers" comprising 260 units across 10 towers, of which 6 towers have been launched for sale. Till June 26, 2026, HSEL had received ~Rs.41 crore against bookings of 40 residential flats. Sales traction continues to remain low with 40 units sold as on June 26, 2026 against 25 units as on May 19, 2025. Given that customer advances are envisaged to contribute around 31% of the overall project funding requirement, timely sale of the remaining inventory, remain important from a credit perspective. Although sales traction remained low, HSEL has received around 75% of the projected customer advances envisaged under the funding plan.

Constitution as a Limited Liability Partnership (LLP)

HSEL being an LLP is exposed to inherent risk of the partners' capital being withdrawn at the time of contingency and also limits the ability to raise the capital. The partners may withdraw capital from the business as when it is required, which may put pressure on the capital structure of the firm.

Presence in a cyclical and highly fragmented real estate industry

The life cycle of a real estate project is long and the state of the economy at every point in time, right from land acquisition to construction to actual delivery, has an impact on the project. This capital-intensive sector is extremely vulnerable to the economic cycles. Currently, slowdown in sales and increased input costs has increased liquidity concerns for highly leveraged players. Further, the real estate sector in India is highly fragmented with many regional players, who have significant presence in their

[1]SEBI: 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

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

respective local markets which in turn leads to intense competition within the industry. The real estate sector is sensitive to the economic cycle and interest rates. Adverse movement in interest rate affects the real estate players in both ways – by hampering demand as well as increasing the cost of construction.

Key strengths

Satisfactory project progress

Till June 26, 2026 HSEL incurred Rs.116.49 crore forming 68% of total project cost as compared to 46% of cost till last review dated May 31, 2025. The project is envisaged to be completed by December-2026 ahead of RERA deadline of December 2027. The incurred costs have been funded through partners' capital/unsecured loans, project term loan and customer advances against bookings in the ratio of 22:42:36. Given the advanced stage of project execution and nearly 30% of project cost remaining, the overall project completion risk remains low.

Experienced promoters

HSEL is promoted by two designated partners –Ritesh Patel and Rahul Jain. Ritesh Patel, founder of erstwhile entity; Hi-Speed Enterprises Private Limited was engaged in dyeing and printing mills for several years and also has a considerable experience in real estate of more than decade through his association with associate firm Kohinoor Developers. Later, being the member of Patel Group, he collaborated with Jain Family to expand the real-estate business. Another partner, Rahul Jain is engaged in printing and embroidery mills for many years and is also having experience in real estate of more than 5 Years. Both the partners jointly look after operations and management of HSEL.

Favourable location of the project with availability of modern amenities

The project site of on-going project is located in the area of Vesu-Surat which is one of the posh and prominent residential areas located in the South-West area of Surat city, Gujarat. This area has witnessed a rapid development in the residential sector within a short space of time due to well-developed social infrastructure. The proposed site is very well connected to all the modes of transport, air, road, and railway. Since the project is in the developing area, the possibility of overwhelming response from upper middle class community is high. Also, the project plan is equipped with ample of modern amenities such as jogging park, garden, children play area, swimming pool, gym, library, bonfire area, jacuzzi etc.

Liquidity: Stretched

Liquidity remains stretched, with booking advances of ~Rs.41 crore received till June 26, 2026. Committed receivables from sold inventory remained low at ~Rs.1 crore, constituting around 2% of the total pending construction cost and outstanding debt, primarily because HSEL has already received almost full consideration for the sold units. Undrawn bank loan of ~Rs.28 crore as on June 26, 2026 provides cushion for meeting the pending construction cost. However, the partners are yet to infuse the remaining ~Rs.18 crore of their committed contribution towards project completion. Going forward, increase in higher sales momentum will remain critical, particularly as term debt repayments are scheduled to commence from February 2027.

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

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Surat, Gujarat based Hi-Speed Enterprises LLP is a Limited liability partnership (LLP) formerly known as Hi-Speed Enterprises Private Limited which got converted into LLP on September 19, 2022. Promoted by 7 partners belongs to Patel and Jain family, HSEL is promoted by the two key partners Mr. Ritesh Patel and Mr. Rahul Jain. The entity is currently executing a residential real estate project - 'Freedom Towers' located at Vesu, Surat under the promoter established brand name of Kohinoor. The project involves construction of 10 towers consists of 13 floors with a total 260 units comprising of 156 3BHK (6 towers) and 104 4BHK (4 towers) residential flats offering amenities such as jogging park, garden, children play area, swimming pool, gym, library, bonfire area, jacuzzi etc. The total project cost is expected at ~Rs.172 crore with project gearing of 1.05x.

Brief Financials: Not applicable since it's a project phase entity.

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	RBI	Simple	-		-	28-02-2030	75.00	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 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 - LT-Term Loan	LT	75.00	CARE BB-; Stable	-	1)CARE BB-; Stable (08-Jul-25)	1)CARE BB-; Stable (06-Aug-24)	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities- Not Applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

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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