



Press Release

HMP Buildcon Private Limited (HBPL)

July 15, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities- Proposed Term loan	75.00	IVR BBB-/Stable (IVR triple B minus with Stable outlook)	-	Rating Assigned	Simple
Total	75.00 (Rupees Seventy- Five Crore only)				

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

Detailed Rationale

Infomerics Ratings has assigned the rating to the proposed bank facilities of HMP Buildcon Private Limited (HBPL), on account of commencement of semi-annual annuity payments with two payments received so far, operational and financial support from the sponsor, protection against risk of variability in traffic as well as other benefits of HAM and the project being in operational phase. The rating is, however, constrained on account of susceptibility to risks related to delay in receipt of annuity and inherent O&M risk associated with the project.

The Stable Outlook reflects benefits which the company derives from annuity-based revenue model, comfortable cash flow coverage ratio and technical & financial support from all the 3 well renowned sponsors: Harsh Constructions Private Limited, Pawar Patkar Constructions Private Limited and M. T. Patil Builders & Contractors Private Limited.



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Key Rating Sensitivities:

Upward Factors

- Established track record of receipt of annuities.
- Funding of Debt Service Reserve Amount and Interest Service Reserve Amount (before the start of debt servicing)

Downward Factors

- Significant increase in O&M and major maintenance costs.
- Significant or continued delays in annuity and interest receipts from PWD.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

Operational and financial support from the sponsor:

HBPL benefits from the experience and track record of Harsh Constructions Private Limited (HCPL), Pawar Patkar Constructions Private Limited (PPCPI0 and M. T. Patil Builders & Contractors Private Limited (M.T.Patil) in the road infrastructure sector. HCPL has constructed various buildings such as housing projects, commercial complexes, airport buildings, healthcare facilities, and educational institutions for government, semi-government agencies as well as private parties. It is registered as a Class 1A contractor with PWD Maharashtra. The company's clients are both Government and private agencies such as Maharashtra Police Housing, Public Works Department (Govt of Maharashtra), Madhya Pradesh, SP Jain Institute, Goa State Infrastructure Development and TATA Trust. The company is led by Mr. Vilas K. Birari, aged 54 years who has a total experience of over 36 years in civil construction activities. MT Patil is into diverse market segments, specializing in construction of roads. The company provides services to its clients like Bituminous testing, natural stone testing, concrete testing and soil testing. PPCPL is a Class 1A contractor and undertakes civil construction projects, primarily in the roads and buildings segments. Personal guarantee of Mr. Vilas K. Birari, along with Mr Avinash Patil and Mr. Sanjay Patkar provides financial support. The sponsor group (HCPL, PPCPL, M.T.Patil) has undertaken to arrange funds to meet any increase in O&M expenses and to support any shortfall in debt servicing in case of non-payment/delayed payment/shortfall in the payment of annuity for any reasons and bridge the



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gap in case of any cash flow mismatch. The sponsors have also undertaken to infuse funds to cover any shortfall in DSRA and MMR.

Benefits of HAM and project being in operational phase:

HAM provides for payment of annuity irrespective of flow of traffic on a given stretch subject to certain conditions. This mitigates the traffic risk in entirety for the developer and is a credit positive. There is assured cash flow due to the annuity nature of the revenue stream. The project is now in the operational phase with COD achieved on February 01, 2024. The company has started receiving annuity from PWD Maharashtra from 29th March 2025. Till 31st May 2025 the company received two annuities. The inherent benefits of HAM include indexation on the bid project cost (BPC) and operation and maintenance (O&M) cost to the extent of inflation, and receipt of interest on residual annuity payments during the operational phase.

Key Rating Weaknesses

Susceptibility to risks related to delay in receipt of annuity.

As per the concession agreement, the company is expected to receive semi-annual annuities. Any delay in timely receipt of the annuity could adversely impact debt-servicing ability. The company has received two annuities as on 31st May 2025 from PWD Maharashtra of which the first annuity was received with significant delay, as the entire State Govt machinery including the bureaucracy was tied up in the electioneering process in FY 25. Consequently, the documentation process got inordinately delayed. There continues to be risk of non-availability of adequate funds with PWD Maharashtra due to government funds being utilised for other exigencies, or similar delays in processing of contractors' claims due to aforementioned reasons. Hence timely receipt of annuity during the operational phase will remain a key monitorable.

Inherent O&M risk associated with the project.

Although the receipt of inflation-indexed O&M annuity partly mitigates the O&M risk, HBPL is still exposed to the risk of any sharp increase in O&M cost due to the more-than-envisaged wear and tear. Furthermore, the sponsor has provided an undertaking to fund the shortfall in



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the O&M and MMR expenses over and above the base case scenario and any other shortfall in debt servicing until the settlement of the loan.

Analytical Approach: Standalone Approach

Applicable Criteria:

[Criteria on assigning rating outlook](#)

[Rating methodology for Infrastructure companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on Default Recognition and Post-Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The average cumulative cash flow cover is expected to be 9.80 times over the tenure of the loan. Company will maintain a DSRA of two principal instalment payments before disbursement of the loan. Escrow mechanism is in place where payments from PWD Maharashtra are routed through escrow account. The company proposes to maintain a gap of four months between receipt of annuity and payment of instalment. Additionally, the company has also proposed the creation of an Interest Service Reserve Account equivalent to six months of interest payment prior to taking disbursement of the term loan. The liquidity is expected to be adequate backed by timely receipt of annuity payments and support from promoter in case of any cash flow mismatches.

About the Company

HMP Buildcon Private Limited was incorporated as a Special Purpose Vehicle (SPV) formed and promoted by HPM Infra JV by 3 companies Harsh Constructions Private Limited (33.34%), Pawar Patkar Constructions Private Limited (33.33%) and M. T. Patil Builders & Contractors Private Limited (33.33%), on May 2018. It was set-up for implementing road improvement project. In this context, Maharashtra PWD and HMP Buildcon entered into Concession Agreement for two-laning of the two road sections under the work package NSK-54 in the Maharashtra. The total concession period is 12 years including operation period of 10 years and construction period of two years. Concession agreement between PWD, Government of Maharashtra and HMP Buildcon Private Limited was signed on August 18, 2018. Since, the



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company is executing this project via HAM, 60% of the project cost has been funded by PWD, while the remaining 40% would be paid out as annuity by PWD during the operational phase of the project. The COD was achieved on 01-02-2024.

Financials (Standalone):

For the year ended/ As on*	INR in Crore	
	31-03-2024# (Audited)	31-03-2025 (Provisional)
Total Operating Income	16.09	20.70
EBITDA	3.64	4.20
PAT	0.12	0.87
Total Debt	35.86	18.11
Tangible Net worth	24.66	25.54
EBITDA Margin (%)	22.60	20.26
PAT Margin (%)	0.77	4.20
Overall Gearing Ratio (x)	1.45	0.71
Interest Coverage(x)	1.03	1.36

* Classification as per Infomerics' standards

#The figures of FY 24 will be revised in the FY 25 Audit report, as incorporated in the FY 25 Provisional results provided by the company, due to regrouping of "Unbilled Revenue", which is part of contractual revenue, as per company, disclosure of which correctly made under income head as per guidance note of ICAI. Therefore, Infomerics has taken the revised FY 24 figures and received undertaking for the same from the company that the revised figures will be incorporated in the FY 25 Audited results.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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)	Current Ratings	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1.	Proposed Term Loan	Long-term	75.00	IVR BBB-/Stable	-	-	-



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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] 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.

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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	ISIN number	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Proposed Term Loan	-	-	-	-	75.00	IVR BBB-/Stable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-hmp-jul25.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 www.infomerics.com.