



Press Release

H S Mehta Infra Private Limited (HSMIPL)

March 25, 2025

Ratings

Facilities	Amount (Rs. crore)	Ratings	Previous Rating	Rating Action	Complexity Indicator
Long Term Facilities	65.00	IVR BB/Negative; (INC) (IVR Double B with negative outlook; ISSUER NOT COOPERATING*)	IVR BB+/Stable (IVR Double B plus with Stable Outlook)	Rating downgraded and moved under ISSUER NOT COOPERATING category	Simple
Short Term Facilities	75.00	IVR A4; (INC) (IVR A Four; ISSUER NOT COOPERATING*)	IVR A4+ (IVR A Four plus)	Rating downgraded and moved under ISSUER NOT COOPERATING category	Simple
Total	140.00	-	(Rupees One hundred and forty crore only)		

**Issuer did not cooperate; based on best available information*

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

The downgrade in the ratings assigned to the bank facilities of HSMIPL reflects lack of adequate information and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.



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Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated March 17, 2025, March 06, 2025, February 21, 2025, February 14, 2025, February 06, 2025 & January 23, 2025 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the ratings.

Accordingly, the long-term & short-term ratings of the bank loan facilities aggregating to Rs. 140.00 crore of (HSMIPL) shall be continued under the 'ISSUER NOT COOPERATING' category by Infomerics and the long-term ratings downgraded to 'IVR BB; ISSUER NOT COOPERATING' with Negative Outlook, while short-term rating downgraded to 'IVR A4; ISSUER NOT COOPERATING' basis on best available information.

Analytical Approach: Standalone

Applicable Criteria:

[Policy on Issuer Not-Cooperating](#)

[Rating Methodology for Infrastructure Companies](#)

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

[Criteria for assigning outlook](#)

[Policy on Default Recognition](#)

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



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About the Company

Incorporated in September 2013, HSMIPL is a 'AA' class government-approved contractor and have more than a decade of experience in executing projects in civil infrastructure development for construction of Highways, Dams & irrigation canal with specialization in concrete lining by pavers, Buildings, Bridges, Telecom OFC Cable Laying, Railway works (including stations, Track laying and structures), Sewerage & Laying of Petroleum Pipeline Specially With Trenchless Technique, Irrigation (Canals & Dams) etc.

Financials (Standalone):

	(Rs crore)	
For the year ended / As on	31-03-2022	31-03-2023
Particulars	Audited	Audited
Total Operating Income	218.84	191.34
EBITDA	22.03	26.24
PAT	5.16	7.54
Total Debt	112.99	116.73
Tangible Net worth	44.40	51.93
EBITDA Margin (%)	10.07	13.71
PAT Margin (%)	2.35	3.92
Overall Gearing Ratio (x)	2.54	2.25
Interest Coverage (x)	1.81	1.98

*Classification as per Infomerics standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History of last three years:



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Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (February 05, 2024)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Long Term Bank Facilities	Long Term	65.00	IVR BB/ Negative; ISSUER NOT COOPERATING*	IVR BB+/Stable	-	-
2.	Short Term Bank Facilities	Short Term	75.00	IVR A4; ISSUER NOT COOPERATING*	IVR A4+;	-	-

**Issuer did not cooperate; based on best available information*

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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



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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 visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Long Term Bank Facilities	-	-	-	65.00	IVR BB/Negative; ISSUER NOT COOPERATING*
Short Term Bank Facilities	-	-	-	75.00	IVR A4; ISSUER NOT COOPERATING *

**Issuer did not cooperate; based on best available information*

Annexure 2: Facility wise lender details: Not Available

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



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

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it based on complexity and a note thereon is available at <https://infomerics.com/>