

Man Infraconstruction Limited

November 19, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	32.50	CARE A+; Stable	Reaffirmed
Long-term / Short-term bank facilities	387.00 (Reduced from 442.00)	CARE A+; Stable / CARE A1	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation in the ratings of Man Infraconstruction Limited (MIL) reflects the company's comfortable financial risk profile in FY25 (Audited; FY refers to April 01 to March 31) and Q1FY26 (Un-audited) and CARE Ratings Limited's (CareEdge Ratings') expectations of sustained performance in the medium term aided by healthy expected cashflows from ongoing and upcoming projects in the residential real estate (RE) segment and timely execution of the unexecuted orderbook for the engineering, procurement and construction (EPC) segment. The ratings factor in MIL's strong liquidity profile supported by receipt of funds from conversion of equity warrants and strong operating cashflow.

MIL's total operating income (TOI) declined by 13% y-o-y to ₹1,100 crore in FY25 on a consolidated basis which is lower than envisaged level owing to delay in revenue recognition for ongoing projects. However, its profitability continued to remain healthy, supported by revenue from projects being executed under the DM model, where the company partners with other developers towards construction, marketing and funding of projects and generates income in the form of DM fees (as a percentage of project revenue), project management charges (as a percentage of construction cost) and interest income on financial support extended as loans to the developing entity.

Ratings continue to draw comfort from MIL's experienced promoters with a track record of two decades in the real estate sector, its track record of timely execution of projects, efficient project execution capabilities with satisfactory sales and collection and favourable location of the ongoing and upcoming projects. The rating continue to factor in its comfortable leverage position and strong liquidity. Going forward, MIL is expected to undertake real estate (RE) projects under the DM and redevelopment models which are asset light in nature and provide steady cash flow visibility over the near-to-medium term with lower incremental debt. However, ratings are tempered by saleability risk associated with ongoing projects with high reliance on customer advances, significant upcoming projects in pipeline resulting in exposure to execution and marketing risks, geographical concentration risk, exposure to group entities and presence in the inherently cyclical real estate industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in size of project portfolio with maintenance of receivable coverage ratio over 80% while maintaining unsold inventory levels below 12 months, on sustained basis

Negative factors

- Deterioration in the committed receivable coverage ratio below 55% on sustained basis.
- Significant decline in collections impacting the liquidity and resultant increase in funding from debt to total project cost over 30%, on sustained basis
- Significant increase in the non-fund-based utilisation or corporate guarantees.

Analytical approach: Consolidated

While arriving at ratings, CareEdge Ratings has considered the consolidated financial statements of MIL and its subsidiaries, associates, and joint ventures (JVs) based on the strong operational and financial linkages between them and extension of corporate guarantees. Entities considered for consolidation are detailed in Annexure-6.

Outlook: Stable

The Stable outlook reflects CareEdge Ratings' expectation that MIL will maintain comfortable credit metrics, considering healthy cash flows from ongoing and upcoming RE projects marked by satisfactory sales, and collection track record while benefitting from its promoters' experience in the real estate industry.

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

Detailed description of key rating drivers:

Key strengths

Healthy profitability in FY25 and Q1FY26; likely to sustain in medium term

The group has two revenue streams - real estate and EPC - which contributed ~60% and ~40% respectively to the total operating revenue in FY25. On a consolidated basis, MIL's TOI declined by 13% y-o-y to ₹1,100 crore in FY25 (PY: ₹1,263 crore) due to delay in revenue recognition from ongoing projects. However, profitability continued to remain healthy supported by revenue from DM project and non-operating income generated from interest income in FY25 and Q1FY26. For the current financial year, MIL is expected to generate healthy cashflows above ₹1,000 crore from the ongoing projects (including revenue from DM projects). Along with this, the upcoming projects in pipeline (including one DM project) have revenue potential of more than ₹5,000 crore, providing medium term revenue visibility. The management's inclination towards undertaking more DM projects in medium term is expected to further strengthen MIL's profitability. Further, for the EPC segment, at the standalone basis, MIL is currently executing large order work of phase II at the fourth container terminal of JNPT port in Navi Mumbai and other infrastructure projects where the unexecuted order book is ₹300 crore as on June 30, 2025. Apart from this, the group has EPC work for residential projects (by Man Group) worth ₹115 crore as on June 30, 2025. Hence, the group has a total orderbook of ₹415 crore expected to be executed in next 1-1.5 years. In the future years, the management focuses on building orderbook from EPC work for residential projects in terms of project management fees and bidding for the upcoming port & infrastructure tenders.

Moderate real estate project implementation risk

The group has three ongoing projects executing under associates/JV/subsidiaries spread across Mumbai (PY: five projects). As on June 30, 2025, 46% of the total project cost had been incurred, primarily funded through customer advances. Of the total launched area, only 39% of the saleable area remains unsold indicating healthy sales velocity. The group can fund 69% of the pending construction cost and o/s debt repayments (including outstanding corporate guaranteed debt) from the committed customer advances as on June 30, 2025 (PY: 66%). Apart from this, MIL has undertaken two RE project under the DM model Aaradhya Avaan in Tardeo and Jade Park in Vile Parle where the company will be the development manager (DM) and project management consultant (PMC). MIL has infused promoter loans worth ~₹270 crore in the DM projects. Further, MIL has given a corporate guarantee for the term debt worth ₹515 crore availed for funding the DM project cost. For the ongoing projects in total, the reliance on debt is less than ~15% to fund the total project cost. The group has four upcoming projects including one DM project. The projects are expected to be executed with associates/JV having total saleable area of 25 lakh square feet (Isf) with estimated revenue of more than ₹5,000 crore. One of these projects named Artek Park is launched in Oct-2025. Timely execution and completion of the ongoing and upcoming projects without significant increase in the estimated project cost remains a key monitorable.

Comfortable leverage and coverage position

At the consolidated level, MIL's capital structure continues to remain comfortable reflected by overall gearing below unity at 0.03x as on March 31, 2025, considering low reliance on debt to fund the project cost for ongoing RE projects and healthy accretion of profits to the net worth (PY: 0.13x). Adjusted overall gearing (adjusted for group exposure and corporate guarantees) also stood comfortable at 0.04x as on March 31, 2025 (PY: 0.28x). Debt coverage indicators are healthy with profit before interest, lease rentals, depreciation, and taxation (PBILDT) interest coverage at 23x and total debt/PBILDT below unity as on March 31, 2025. As of June 2025, CARE Ratings expect the group's net worth base to improve further in medium term considering expected receivable of balance Rs. 248 crore in the coming quarters on scheduled conversion of equity share warrants resulting into favourable credit metrics in the near-to-medium term.

Experienced promoters and established track record of operations

Mumbai-based MIL is the Man group's flagship company promoted by Parag Shah (Chairman Emeritus), who has over three decades of experience in the construction industry. Currently, the company is managed by his son; Manan Shah; Managing Director who spearheads the real estate development and EPC division of the company. The company has in-house construction team with strong experience in execution of real estate projects and port infrastructure projects and established track record in the infrastructure industry. Long track records and experience of promoters is expected to benefit the company over the coming years.

Key weaknesses

Saleability risk associated with high reliance on customer advances and significant upcoming projects in pipeline resulting in exposure to execution and marketing risks

All the three ongoing projects under the group are majorly being financed through customer advances (above 70% of the total project cost) exposing the project to risks/ concerns like liquidity issues, project delays and cost overruns. Out of total saleable

area of 12.80 lsf of ongoing projects, the company already sold ~7.91 lsf (61% of total saleable area) till June 30, 2025, at a sale consideration of ₹1,711 crore, mitigating the above risk to a certain extent. The company received customer advances of ₹724 crore against the cost incurred of ₹975 crore till June 30, 2025. The group plans to launch four projects with total saleable area of ~ 25 lsf over the next 2-3 years. This exposes the group to project execution and marketing risks, although the group's past track record mitigates risks to a certain extent.

Considerable exposure in its group entities

MIL has exposure in the form of investments and loans and advances of ₹368.80 crore as on March 31, 2025, (PY: 383.30) to its group entities/partnership concerns for the implementation of real estate projects. This apart, the company has also extended corporate guarantees of ₹700.10 crore against sanctioned debt by group companies of which the o/s amount is ~₹238 crore as on June 30, 2025. Any delay in construction of the projects covered by such guarantees, lower than expected sales and timely receipt of customer advances will be the key rating monitorable.

Risk of geographical concentration and highly fragmented real estate industry in Mumbai

Total area is being constructed in and around Mumbai, which exposes the group to the risk of geographical concentration. Further, in the last few years, Mumbai witnessed moderate growth in real estate sector with large number of renowned local and national level real estate players entering with large size projects in the city. However, given the group's brand image in Mumbai (especially in Ghatkopar and Dahisar region) and satisfactory track record of the company in execution of real estate projects, the risk is mitigated to a larger extent

Liquidity: Strong

At the consolidated level, as on June 30, 2025, MIL had free cash and bank balance is Rs. 641.30 crore (as of March 31, 2025: Rs. 383.11 crore) and it is expected to receive Rs. 248 crore in the coming quarters on scheduled conversion of equity share warrants. The group is expected to generate cashflows around Rs. 900-1,100 crore as against expected cost to be incurred and borrowings worth Rs. 700-800 crore in FY26. As on June 30, 2025, the group has outstanding borrowings worth Rs. 279 crore (including corporate guarantee worth Rs. 238.21 crore). On a standalone level, MIL has cash and cash equivalents above Rs. 491.50 crore as on June 30, 2025 (March 31, 2025: 252.12 crore). Hence, the liquidity position of the company continues to remain strong both on standalone and consolidated level as on June 30, 2025.

Environment, social, and governance (ESG) risks

The activities in the real estate sector have adverse impact on environmental and social aspects considering high emission levels and waste generation from construction activities contributing to climate change, high labour intensity and related safety issues. As per its annual report for FY25, MIL has an ongoing focus on strengthening its compliances of ESG parameters and resultantly it has taken initiatives for efficiently managing ESG risks as detailed below:

- Environmental - The company is engaged in initiatives to reduce its carbon footprint by using low-emission materials, dust control measures, sustainable building materials, solar panels, and energy efficient machinery/equipment which reduces fuel and energy consumption.
- Social - Implementation of safety management system and contribution towards healthcare services for the employees are some of the initiatives.
- Governance - Code of conduct, Corporate Social Responsibility (CSR) and Whistleblower policies are in place, and Disclosure on Corporate Governance are made by the company.

Applicable criteria

[Consolidation](#)

[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](#)

[Construction Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

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

MIL was incorporated on August 16, 2002, for providing engineering, procurement and construction (EPC) services for residential and commercial real estate and infrastructure projects. The company is promoted by Parag Shah and his son, Manan Shah. It later ventured in the residential real estate sector as a developer under its own brand name. The company, through its subsidiaries/associates, enters joint development agreement with landowner(s)/tenant(s) for developing real estate projects in the Mumbai Metropolitan Region (MMR). Till June 30, 2025, MIL completed 14 projects having real estate regulatory authority (RERA) carpet area of ~28.13 lakh square feet (lsf) under its group.

Brief Financials (₹ crore) - Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	1263.45	1108.07	227.00
PBILDT	332.14	324.61	84.00
PAT	303.34	312.81	55.00
Overall gearing (times)	0.14	0.04	NA
Interest coverage (times)	9.72	24.02	NA

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

Brief Financials (₹ crore) - Standalone	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	708.30	394.73	99.00
PBILDT	158.22	90.78	27.00
PAT	215.36	156.80	61.00
Overall gearing (times)	0.05	0.00	NA
Interest coverage (times)	37.75	23.57	NA

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

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	32.50	CARE A+; Stable
Non-fund-based-LT/ST	-	-	-	-	387.00	CARE A+; Stable / CARE A1

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-Cash Credit	LT	32.50	CARE A+; Stable	-	1)CARE A+; Stable (07-Nov-24)	1)CARE A; Positive (04-Sep-23)	1)CARE A; Stable (17-Nov-22)
2	Non-fund-based-LT/ST	LT/ST	387.00	CARE A+; Stable / CARE A1	-	1)CARE A+; Stable / CARE A1 (07-Nov-24)	1)CARE A; Positive / CARE A1 (04-Sep-23)	1)CARE A; Stable / CARE A2+ (17-Nov-22)

LT: Long term; LT/ST: Long term/Short 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-Cash Credit	Simple
2	Non-fund-based-LT/ST	Simple

Annexure-5: Lender detailsTo view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated

Sr. No.	Name of the company	Extent of Consolidation	Rationale for Consolidation
1	Manaj Infraconstruction Limited	Full	Subsidiary
2	Man Aaradhya Infraconstruction LLP	Full	Subsidiary
3	Man Realtors and Holdings Private Limited	Full	Subsidiary
4	MICL Realtors Private Limited	Full	Subsidiary
5	Man Vastucon LLP	Full	Subsidiary
6	MICL Developers LLP	Full	Subsidiary
7	Starcrete LLP	Full	Subsidiary
8	MICL Global INC	Full	Subsidiary
9	MICL Builders LLP	Full	Subsidiary
10	Man Infra Contracts LLP	Full	Subsidiary
11	MICL Creators LLP	Full	Subsidiary
12	Man Chandak Realty LLP	Proportionate	Joint Venture
13	Atmosphere Realty Private Limited (ARPL)	Moderate	Associate
14	MICL Realty LLP	Moderate	Associate
15	Royal Netra Constructions Private Limited	Moderate	Associate
16	MICL Properties LLP	Moderate	Associate
17	Arhan Homes LLP (Formerly known as MICL Homes LLP)	Moderate	Associate
18	Atmosphere Homes LLP	Moderate	Associate

Source: Annual report for FY25

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

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Akhil Goyal Director CARE Ratings Limited Phone: +91-22-6754 3590 E-mail: akhil.goyal@careedge.in
Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Raunak Modi Assistant Director CARE Ratings Limited Phone: +91-22-6754 3537 E-mail: raunak.modi@careedge.in
	Rakshata Khatawkar Lead Analyst CARE Ratings Limited E-mail: rakshata.k@careedge.in

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