

## Milestone Unique Buildcon Private Limited

March 25, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	113.00	CARE BBB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The rating assigned to bank facilities of Milestone Unique Buildcon Private Limited (Milestone) derives strength from experienced promoters in warehouse leasing business, healthy occupancy, favourable location of the warehouse, and adequate liquidity. The rating also factors in the structured payment mechanism through escrow account and maintenance of debt service reserve account (DSRA).

However, the rating remains constrained due to tenant concentration and moderate lease tenure, moderate collection efficiency of lease rentals albeit reputed tenant profile, geographic concentration of the operations, and inherent cyclical nature of real estate sector.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Operationalisation of escrow account with timely receipt of lease rentals resulting in improvement of cash coverage ratio (CCR).
- Significant improvement in rental rates or a material reduction in debt levels resulting in improvement in debt coverage metrics.

#### Negative factors

- Reduction in the overall occupancy level below 90% on a sustained basis.
- Significantly higher-than-expected debt-funded capex impacting the leverage profile of the company on a sustained basis.

**Analytical approach:** Standalone

### Outlook: Stable

The stable outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that the company will continue to generate adequate cash flows driven by full occupancy level and envisaged escalations.

### Detailed description of key rating drivers:

#### Key strengths

##### Experienced promoter group

Milestone is a part of Indian Corporation Group of companies and is promoted by Mr Rudra Pratap Tripathi who has over two decades of experience in warehousing business. The group has developed ~17 million Sq. Ft. of warehouses in the last 15 years across Bhiwandi – Dive, Anjur, Dapode and Gundavali, Pune-Chakhan, Ahmedabad – Kheda, Hyderabad – Medchal. The group has reputed clientele as a lessee such as Star Bazar (Trent), Reliance group, TVS supply chain, Hettich, Nyka, and Vijay Sales, among others.

##### Healthy occupancy with strategic location of warehouse

The rating favourably factors the property's almost 100% occupancy with reputed tenants in the corporate sector engaged in logistics and supply chain industry, food and beverages, consumer durable industry, and furniture industry among others. Warehouses are occupied by multiple tenants with most of the lease agreements have tenure ranging from 2-12 years with lock-in period of 0-4 years per industry standards, providing medium-term revenue surety.

Warehouses are strategically located in Bhiwandi, Thane, near Mankoli Naka, which is developed as largest warehousing and logistics cluster in India. The site is well-connected with Mumbai-Nashik Expressway (NH160) and is close to the Mumbai-Ahmedabad highway and has better connectivity with Navi Mumbai and Mumbai. The warehouse has excellent connectivity to

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

JNPT port and airports, access to labour, lower operational costs, and proximity to major consumer markets, including Mumbai, Thane, Pune, and Nashik contribute favourably towards the demand for the property.

### **Presence of structural features in the form of escrow agreement with defined cash flow waterfall mechanism and presence of DSRA**

Per terms of loan agreement, entire cash inflows consisting of lease rentals must be routed through a designated escrow account. The well-defined waterfall mechanism ensures that debt servicing takes priority over other outflows, except statutory dues, demonstrating strong discipline. This apart, Milestone has created a DSRA equivalent to three month's principal and interest amount, supplementing the liquidity profile. As lease rental discounting (LRD) loan from Bank of Baroda is recently availed, escrow account is expected to be operational by June 2026, which shall also be key rating monitorable.

### **Key weaknesses**

#### **Tenant concentration risk and moderate lease tenure and rollover risk**

As on December 31, 2025, Milestone has leasable area of 5.63 lsf, which is having 100% occupancy. Of the total leasable area, 4.69 lsf (~83%) is leased to four tenant for a period of 3 to 12 years (weighted average lease expiry – 2.59 years), which exposes Milestone to tenant concentration risk. Balance area is leased out to multiple tenants where the lease agreement is signed for 2-5 years with lock-in period of 1-2 years reflecting moderate lease tenure, which exposes the company to agreement roll over risk. The weighted average lease expiry remains ~2.59 years, however, LRD loan tenure remains 15 years. The roll over risk is partly mitigated by the presence of re-agreement clause and favourable location of the warehouses.

#### **Moderate collection efficiency albeit reputed tenant profile**

The company typically receives lease rentals from its tenants within 15-25 days from the date of invoice, compared to the contracted credit period of up to 10 days. Any material delay in the receipt of lease rentals could adversely affect the company's ability to service debt in a timely manner. However, the receivables risk is mitigated by Milestone's association with reputed tenants. Additionally, as the debt servicing date falls on the last day of each month, the company retains an adequate time cushion to meet its debt obligations. Availability of DSRA equivalent to three months repayment obligation (principle + interest), provide support in case of mismatch.

#### **Geographical concentration risk with competition from other players in warehousing space**

The asset is exposed to geographical concentration risk inherent with single asset. The company has a single warehouse, and the entire leasable area is positioned at a single micro-market in Bhiwandi, Maharashtra. Adverse development or decline in demand in such micro-market may significantly impact the company's rentals and occupancy. The vicinity is surrounded by mid- and large-sized warehouses, and such competition could exert pressure on rental rates and occupancy going forward. The asset's prime location reduces risk to certain extent.

#### **Inherent cyclical nature of the real estate sector**

The company is exposed to the cyclicity associated with the real estate sector, which has direct linkage with the general macroeconomic scenario, interest rates and level of disposable income available with individuals. A high-interest rate scenario or other macroeconomic/regulatory changes may impact the operations and cash flows of the entity.

#### **Liquidity: Adequate**

The company's liquidity position is expected to remain adequate in the near to medium term, with projected cash inflows of ₹13.05 crore and ₹13.65 crore, compared to scheduled debt repayment obligations (incl. interest and principal) of ₹7.45 crore and ₹10.44 crore in FY27 and FY28, respectively. CCR is expected to remain in range of 1.23x to 1.32x for next three years period. The company's unencumbered cash and bank balance stood at ₹3.22 crore as on December 31, 2025. The company has created DSRA of ₹1.34 crore as on February 13, 2026, further strengthening its liquidity position.

**Environment, social, and governance (ESG) risks:** Not applicable

### **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 Debt backed by lease rentals](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Realty	Realty	Real estate-related services

Incorporated on July 23, 2007, Milestone Unique Buildcon Private Limited (Milestone) is part of the Indian Corporation group. The company is engaged in the warehouse leasing business.

Milestone currently owns a warehouse with a leasable area of ~5.63 lakh square feet (lsf) at Bhiwandi, Mumbai. The warehouse has been leased to corporate tenants for tenures ranging from 2 to 12 years, with lock-in periods of 12 to 48 months.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	13.39	14.45
PBILDT*	13.24	14.12
Profit after tax (PAT)	3.24	12.20
Overall gearing (x)	-11.32	1.66
Interest coverage (x)	1.79	4.09

A: Audited; 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
Term Loan-Long Term		-	-	31-12-2040	113.00	CARE BBB; 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	Term Loan-Long Term	LT	113.00	CARE BBB; 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	Term Loan-Long Term	Simple

**Annexure-5: 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.

## Contact us

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