Press Release

Bhushilp Mines and Minerals Private Limited

October 06, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	5.00	IVR BB-/Stable (IVR Double B Minus with Stable Outlook)	-	Rating Assigned	Simple
Short Term Bank Facilities	5.00*	IVR A4 (IVR A Four)	-	Rating Assigned	Simple
Total	**10.00 (Rupees Ten Crore Only)**				

******This Facility is sub limit of Cash Credit*

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

Infomerics Ratings has assigned rating of IVR BB-/Stable, IVR A4 to the bank facilities of Bhushilp Mines and Minerals Pvt Ltd (BMMPL). The rating derived strengths from strategic location, diversified portfolio for revenue generation and experienced top management team and best in class technical manpower. However, these ratings are constrained due to short track record of the company, small scale of operations and low net worth and competitive nature of industry.

The Stable outlook reflects expectations of steady revenue growth over the projected period. This is supported by the strong likelihood of an expanding order book, driven by the company's robust technical capabilities and the favourable outlook for India's mining sector.

Key Rating Sensitivities:

Upward Factors

- Improvement in scale of operations above Rs.75 crore and EBITDA margin above 15% on sustained basis.
- Significant improvement in the net worth

Press Release

Downward Factors

- Substantial decline in orderbook position with deterioration in scale of operations.
- Deterioration in leverage indicators along with liquidity of the company.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Strategic location:**
  BMMPL is based in Nagpur, the "Zero Mile City" of India, offering strong logistical and geographical advantages. Its central position ensures proximity to mineral-rich states like Maharashtra, Chhattisgarh, Madhya Pradesh, and Odisha, reducing transport costs and securing raw material access. The city's closeness to steel, power, and cement industries supports steady demand and faster offtake. With MIHAN, multimodal cargo facilities, and strong road–rail–air connectivity, Nagpur serves as an efficient logistics hub for both domestic and export markets, enhancing cost competitiveness.
- **Diversified portfolio for revenue generation**:
  BMMPL is strategically diversified across mining, regulatory services, and trading, reducing reliance on a single revenue stream. Its mining operations include drilling for Banded Hematite Quartzite (BHQ), coal, and potash under contracts with reputed institutions like GSI (Geological Survey of India), CMPDI (Central Mine Planning & Design Institute), MOIL, and Lloyds Metals. The company also offers regulatory and development services such as statutory clearances, land development, and Mine Development & Operations (MDO) contracts, positioning itself as a full-service mining solutions provider. Additionally, its trading vertical supplies HT motors, slurry pumps, and allied equipment, creating complementary revenue. This integrated approach ensures multiple income streams, lowers sector-specific risks, and strengthens competitive positioning.
- **Experienced top management team and best in class technical manpower:**
  The head of mining operations is a senior professional from Coal India Ltd (CIL) while head of exploration activities is an ex-director of Mineral Exploration Corporation Ltd, both having over 25 years of hands-on experience in mining and related activities. The company has also hired senior technical staff with project management experience from companies like CIL and Sandvik Mining And Rock Technology India Private Limited (Sandvik). Finance, sales, marketing and purchase functions are also led by seasoned professionals from companies

like Sandvik, L&T, CIL as well as global multinational corporations. Strong in-house technical capabilities allow the company to offer services such as mine development and operations, maintenance of heavy mining equipment for clients, exploration drilling and training of workers and technical staff of clients in the mining industry.

Key Rating Weaknesses

- **Short track record of the company, small scale of operations and low net worth:** Incorporated in 2020, BMMPL has a short operational track record with modest scale, though TOI improved to ₹28.35 crore in FY25 from ₹17.60 crore in FY24. Net worth remains low at ₹2.65 crore (FY25), limiting leverage capacity, though this is largely due to its nascent stage. Despite low net worth, gearing was moderate at 1.63x as on March 31, 2025, with total debt of ₹4.31 crore (₹1.79 crore LT debt and ₹2.52 crore cash credit). Sustaining growth momentum and scaling operations consistently remain key rating monitorable.
- **Competitive nature of industry:**
  The company operates in a highly competitive and tender-driven industry, where business volumes are largely dependent on the number of tenders floated by government and private sector entities and the company's ability to successfully secure them. Though the company mitigates bidding volatility through a diversified revenue mix—mining services, regulatory/MDO, and trading of HT motors/pumps. This creates variability in order inflow and revenue visibility. Furthermore, with the mining sector becoming increasingly competitive, especially with the entry of established players and new contractors, bargaining power with clients remains limited. The tender-based nature of projects also restricts pricing flexibility, often exerting pressure on operating margins.

Analytical Approach: Standalone

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Applicable Criteria:

Rating Methodology for Service Sector Companies
Criteria on assigning rating outlook
Policy on Default Recognition and Post-Default Curing Period
Complexity Level of Rated Instruments/Facilities
Financial Ratios & Interpretation (Non- Financial Sector)

Liquidity – Adequate

The liquidity position of the company remained adequate during FY25 as well as in projected period, primarily on account of nil term debt repayment obligations as they no term loan drawn down by the company. With lean net operating cycle of 24 days in FY25, the working capital requirements are fairly low, as reflected in 63% average utilisation of its Rs.5cr cash credit limits for the 12 months ended August 2025 (enhanced from Rs.1cr in February 2025). Furthermore, the company had cash and cash equivalents of ₹2.74 crore as on August 31, 2025, providing additional liquidity support.

About the Company

Incorporated in 2020, Bhushilp Mines and Minerals Pvt Ltd (BMMPL) primarily undertakes contractual mining operations, exploration drilling and equipment supply for various public and private players all over India. Company's operations include all mining activities such as core drilling for minerals like BHQ (Banded Hematite Quartzite**)** coal and potash under contracts with GSI (Geological Survey of India), CMPDI (Central Mine Planning & Design Institute Limited), MOIL (Manganese Ore (India) Limited) and Lloyds Metals etc and also extends to land clearing, statutory approvals, public hearings, environment and forest clearance, DGMS (Directorate General of Mines Safety) approval, and mine development operations (MDO) activities. Further, company is also engaged in trading business which includes supply of High Tension (HT) motors and slurry pumps and allied equipment.

BMMPL is among the few private entities registered with the National Mineral Exploration Trust (NMET) as a Notified Private Exploration Agency (NPEA) and accredited under QCI-NABET Category 'A'.

Press Release

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2023	31-03-2024	31-03-2025
	Audited	Audited	Audited
Total Operating Income	10.00	17.60	28.35
EBITDA	0.69	1.41	2.08
PAT	0.51	0.89	1.03
Total Debt	0.09	1.55	4.31
Tangible Net Worth	0.88	1.76	2.65
EBITDA Margin (%)	6.91	8.02	7.34
PAT Margin (%)	5.09	5.04	3.61
Overall Gearing Ratio (x)	0.11	0.88	1.63
Interest Coverage (x)	-	5.64	3.37

** Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (2025-2026)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-2025	Date(s) & Rating(s) assigned in 2023-2024	Date(s) & Rating(s) assigned in in 2022-2023
					Date (Month XX, 20XX)	**Date** (Month XX, 20XX)	**Date** (Month XX, 20XX)
1.	Cash Credit	Long Term	5.00	IVR BB-/Stable	-	-	-
2.	BG/LC	Short Term	5.00*	IVR A4	-	-	-

******This Facility is sub limit of Cash Credit*

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About Infomerics:

Infomerics Valuation and Rating Ltd [Formerly Infomerics Valuation and Rating Private Ltd] (Infomerics) 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

Press Release

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.

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	5.00	IVR BB-/Stable
BG/LC	-	-	-	-	5.00*	IVR A4

**This Facility is sub limit of Cash Credit*

Annexure 2: Facility wise lender details:
https://www.infomerics.com/admin/prfiles/len-bhushilp-oct25.pdf

Press Release

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

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 on the basis of complexity and a note thereon is available at www.infomerics.com.