

## Dhairya Construction

January 20, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	10.00	CARE B-; Stable; ISSUER NOT COOPERATING* (Single B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
<b>Total Facilities</b>	<b>10.00(Rs. Ten Crore Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 15, 2021, placed the rating(s) of Dhairya Construction (DC) under the 'issuer non-cooperating' category as DC had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DC continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 01, 2021, December 11, 2021, December 30, 2021.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of DC have been revised on account of non-availability of requisite information.

### Detailed description of the key rating drivers

Please refer to PR dated [January 15, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Firm

Bhuj - based (Gujarat) DC, proprietorship firm was established in 2013, for carrying out the business of civil construction by Mr. Birju Chhotalal Shah. Mr. Birju Shah aged 46 years, is a graduate in civil engineering (B. E. Civil) and has an experience of more than 2 decades in the civil construction industry. DC undertakes civil construction work, allotted directly or sublet by other construction contractors (mainly group entities comprising Cube Construction Engineering Limited (CCEL) and Katira Construction Limited (KCL)). It constructs commercial and residential buildings viz. government housing projects, residential bungalows, PPP (Public Private Partnership) projects viz. bus stands, museums and other civil construction work, mainly in Saurashtra region and Bhuj-Kutch, Ahmedabad and Surat districts of Gujarat.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021(A)	9MFY22 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

**Status of non-cooperation with previous CRA:** Acuite (SMERA) has moved ratings of DC to 'Issuer Not Cooperating' category vide press release dated June 14, 2021 on account of its inability to carry out a review in the absence of the requisite information from the firm.

**Any other information:** Not Applicable

<sup>2</sup> Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this firm:** Annexure-4

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Bank Overdraft		-	-	-	10.00	CARE B-; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Bank Overdraft	LT	10.00	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING*(15-Jan-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING *(27-Jan-20)	1)CARE BB; Stable (05-Feb-19)

\*Issuer did not cooperate; Based on best available information

**Annexure 3: Covenants of rated instrument/facility:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this firm**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Bank Overdraft	Simple

**Note on complexity levels of the rated instrument:** CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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### About CARE Ratings:

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**