

Dhairya Construction

April 08, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	10.00	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 16, 2023, 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 January 02, 2024, January 12, 2024, January 22, 2024.

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).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

Please refer to PR dated [February 16, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[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 Chhotatal 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)	March 31, 2018(A)	March 31, 2019(A)
Total operating income	31.57	50.24
PBILDT	3.13	3.88
PAT	1.09	1.50
Overall gearing (times)	0.56	1.20
Interest coverage (times)	1.78	1.83

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Acuite (SMERA) has continued the ratings assigned to the bank facilities of DC to 'Issuer Not Cooperating' category vide press release dated November 23, 2023 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

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

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various 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 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 for the 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 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Bank Overdraft	LT	10.00	CARE B-; Stable; ISSUER NOT COOPERATING *	-	1)CARE B-; Stable; ISSUER NOT COOPERATING * (16-Feb-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING * (20-Jan-22)	1)CARE B+; Stable; ISSUER NOT COOPERATING * (15-Jan-21)

*Issuer did not cooperate; based on best available information; LT: Long term

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

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Bank Overdraft	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings 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 us:

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