Drillcon Infrastructure Private Limited

July 06, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	5.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category
Long-term / Short-term bank facilities	25.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	LT rating downgraded from CARE BB; Stable and ST rating reaffirmed and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.
*Issuer did not cooperate; based on best available information.

List of facilities / instruments falling under the purview of financial sector regulators (FSRs), and the names of respective FSRs has been disclosed under Annexure-7.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Drillcon Infrastructure Private Limited (DIPL) to monitor the rating(s) vide e-mail communications dated April 15, 2026, April 23, 2026, April 27, 2026, May 01, 2026, May 05, 2026, May 11, 2026, May 19, 2026, June 18, 2026, June 21, 2026, and June 24, 2026, and numerous phone calls. However, despite repeated requests, the entity has not provided the requisite information for monitoring the rating. In line with the extant Securities and Exchange Board of India (SEBI) guidelines, CareEdge Ratings has reviewed the rating based on the best available information, which in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating. Ratings on bank facilities of DIPL will now be denoted as CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*.

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

The last ratings assigned to bank facilities of DIPL were constrained by moderate scale of operations until FY24, concentration risk due to dependence on primarily a single sizeable order, susceptibility of profit margins to fluctuations in construction material prices, revenue dependence on tender-based projects, elongated working capital cycle leading to stretched liquidity, and the highly competitive nature of the industry. However, ratings drew comfort from extensive experience of promoters, healthy profitability levels, comfortable capital structure, strong debt coverage indicators, and growth in the scale of operations in FY25. The company's revenue base was expected to remain on an upward trajectory in the coming fiscal year, supported by a robust order book position of ₹616 crore, which provided strong revenue visibility in the medium term. In 10MFY25, the company reported a total operating income (TOI) of ₹116.43 crore, closed FY25 with ₹147 crore, and was projecting ₹250 crore for FY26.

Analytical approach: Standalone

Outlook: Stable

CareEdge Ratings expects that the entity will benefit from its longstanding position in the industry and extensive experience of the promoters.

Detailed description of key rating drivers:

At the time of last rating on May 16, 2025, following were the rating strengths and weaknesses.

Key weaknesses

Concentration risk from a single large order

As of March 15, 2025, the company's unexecuted order book stood at a healthy ₹616.01 crore, expected to be completed by August 2027. This represents 12.78x of the company's TOI for FY24, offering strong revenue visibility in the medium term. Inclusion of price escalation clauses in contracts help mitigate the risk associated with raw material price fluctuations to some extent. However, the company is exposed to concentration risk from a single large order constituting ~86% of the total current order book.

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

Highly competitive industry

DIPL operates in a competitive construction industry, facing competition from both organised and unorganised players due to low barriers to entry. Presence of numerous small and regional firms intensifies market competition, limiting DIPL's bargaining power and exerting pressure on its profit margins. Fluctuating raw material costs and project-based revenue cycles further challenge the company's ability to maintain stable profitability.

Susceptibility of margins towards construction material price volatility

Key raw materials required for executing construction projects and works contracts include steel, stone chips, bitumen, cement, among others. Given the labour-intensive nature of the industry, the entity's operating margins remain susceptible to abrupt increases in prices of these input materials and rising labour costs. While partial protection is offered through price escalation clauses in some contracts, a significant and sustained increase in input costs or wage rates could adversely impact profitability, especially in projects where such provisions are absent or limited.

Revenue dependence on Tender-based projects

DIPL's revenue stream is entirely reliant on securing tender-based contracts, exposing its financial performance to inherent uncertainties of the competitive bidding process. High level of competition in the construction industry exerts considerable pressure on revenue visibility and profit margins, as companies often bid aggressively to secure projects. However, this risk is partially mitigated by promoters' extensive experience of over three decades in the construction sector. Their deep industry knowledge, strong network of relationships with clients and stakeholders, and proven track record of timely and cost-effective project execution provide the company with a strategic edge. This experience enhances DIPL's ability to identify viable opportunities, price bids competitively without compromising margins, and maintain operational efficiency; key factors that support business sustainability despite challenges of a tender-driven model.

Key strengths

Growth in scale of operations in FY25 following moderate levels until FY24

TOI increased by 9.47% year-on-year in FY24 to ₹48.19 crore from ₹44.12 crore in FY23. In 10MFY25, the company reported TOI of ₹116.43 crore, and closed FY25 with ₹147 crore and projecting ₹250 crore for FY26. Improvement in FY25 is attributable to growth in the order book, and the company's turnover is projected to continue rising in the coming years. As on March 15, 2025, value of unexecuted portion of order book position stood healthy at 12.78x of the company's FY24 TOI, providing strong revenue visibility in the medium term. It has modest networth base, which stood at ₹26.59 crore as on March 31, 2024.

Healthy profitability

DIPL's operating profitability has remained stable, with a profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin within the range of 16%-18% for three years ending FY24. It stood healthy at 17.02% in FY24, largely in line with the previous year considering stable input costs. Return on capital employed (ROCE) stood healthy at 18.38% in FY24 (PY: 10.77%) with a fixed asset turnover of 1.04x in FY24 (PY: 0.97x).

Comfortable capital structure

The entity's capital structure remained comfortable, with an overall gearing ratio of 0.40x as on March 31, 2024, compared to 0.30x as on March 31, 2023. Its debt profile primarily consists of working capital borrowings and term loans, largely availed for the acquisition of vehicles and machinery in FY24. The Total Outside Liabilities to Net Worth (TOL/TNW) ratio stood at a moderate 1.17x as on March 31, 2024, rising from 0.77x as on March 31, 2024. Despite the increase, the entity's capital structure remains robust, offering adequate headroom to raise additional debt if required to fund growth in scale.

Strong debt coverage indicators

Debt coverage indicators remained strong, reflected by a comfortable PBILDT interest coverage ratio of 5.71x in FY24, despite lower than 7.09x in FY23, and a total debt to gross cash accruals (TD/GCA) ratio of 1.76x in FY24, improving from 3.62x in FY23. Slight moderation in the interest coverage ratio in the year was primarily due to stable profitability and a marginal increase in debt levels.

Extensive experience of promoters in the industry

Satyajit Kumar Chakravorty is an engineer with over 60 years of extensive experience in underground construction. In his tenure in the government sector as an employee, he contributed to numerous underground infrastructure projects. Amit Chakravorty, son of Satyajit Kumar Chakravorty, is also an engineer with over 35 years of extensive experience in underground construction, has played a pivotal role in the conceptualisation and execution of key projects undertaken by Drillcon, consistently leading from the front as managing director. Gaurav Kapoor, an alumnus of the Indian Institute of Management, Calcutta, and a law graduate from Government Law College, Mumbai, brings deep expertise in project management and logistics.

Liquidity: Not applicable

Assumptions/Covenants: Not applicable

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

Applicable criteria

- Definition of Default
- Liquidity Analysis of Non-financial sector entities
- Information Adequacy Risk and Issuer Non-Cooperation
- Rating Outlook and Rating Watch
- Financial Ratios – Non financial Sector
- Construction Sector
- Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Construction	Construction	Civil construction

Headquartered in Kolkata, DIPL is a private limited company incorporated on February 14, 2008. Originally founded as a partnership firm by Satyajit Kumar Chakravorty in 1975, DIPL has since evolved into a leading provider of specialised underground construction services across India. The company's core expertise includes the construction of adits and access tunnels, drilling and grouting works, foundation treatments, seepage control, water pressure testing, and instrumentation for dams and tunnels.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	48.19	147.95
PBILDT*	8.20	19.59
Profit after tax (PAT)	2.94	11.83
Overall gearing (x)	0.40	0.19
Interest coverage (x)	5.71	12.62

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 (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		-	-	-	5.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	20.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Letter of credit		-	-	-	5.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*

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

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 2026-2027	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
1	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	20.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable / CARE A4 (16-May-25)	-	-
2	Fund-based - LT-Cash Credit	LT	5.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (16-May-25)	-	-
3	Non-fund-based - LT/ ST-Letter of credit	LT/ST	5.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable / CARE A4 (16-May-25)	-	-

*Issuer did not cooperate; based on best available information.
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-Bank Guarantee	Simple
3	Non-fund-based - LT/ ST-Letter of credit	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated: Not applicable

Annexure-7: List of facilities/instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of FSRs, and the names of respective FSRs, is disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details and names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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.

[2]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

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About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

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