

September 26, 2024

## Chevrox Constructions Pvt. Ltd.: Rating downgraded and Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	13.00	13.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+(Stable); ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category.
Short Term-Non fund Based	117.00	117.00	[ICRA]A4; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A4+; ISSUER NOT COOPERATING and continues to remain under the 'Issuer Not Cooperating' category.
<b>Total</b>	<b>130.00</b>	<b>130.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The rating downgrade is attributable to the lack of adequate information regarding Chevrox Constructions Pvt. Ltd. performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at [www.icra.in](http://www.icra.in). The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating, as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade."

As part of its process and in accordance with its rating agreement with Chevrox Constructions Pvt. Ltd., ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the Key rating drivers and their description, Liquidity position, Rating sensitivities : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a> <a href="#">Rating Methodology – Construction</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

## About the company

Chevrox was constituted as a private limited company in 2010 by Mr. Mit Viramgama, Mr. Subhash Patel, and Mr. Hitesh Chaniyara in Rajkot (Gujarat). Chevrox is primarily involved as an EPC contractor/sub-contractor for various building, road and infrastructure projects in Bihar, Rajasthan, Chhattisgarh, Odisha, Karnataka and Gujarat. The company also undertakes construction work for bridges, flyovers, water and waste-water treatment plants, industrial projects, pipelines, institutional and high-end real estate. It enjoys strong business linkages with the established construction company, ITL. Mr. Kishor Viramgama, a co-promoter in ITL, is the chairman of Chevrox, as well as the father of Mr. Mit Viramgama, one of the copromoters of Chevrox.

## Key Financial Indicator

	FY2022 (in crore)	FY2023 (in crore)
Operating income	278.65	376.25
PAT	9.98	18.54
OPBDIT/OI	12.59%	12.88%
PAT/OI	3.58%	4.93%
Total outside liabilities/Tangible net worth (times)	3.43	2.71
Total debt/OPBDIT (times)	2.58	2.16
Interest coverage (times)	3.38	3.52

Source: MCA

## Status of non-cooperation with previous CRA: Not Applicable

## Any other information: None

## Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Date & Rating in	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				Sep 26, 2024	Jul 12, 2023	Jan 31, 2023	Oct 21, 2021
1	Cash Credit	Long Term	13.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)
2	Non fund Based	Short Term	117.00	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING	[ICRA]A3; ISSUER NOT COOPERATING	[ICRA]A3

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Non fund Based	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](https://www.icra.in)

### Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	13.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non fund Based	-	-	-	117.00	[ICRA]A4; ISSUER NOT COOPERATING

Source: Chevrox Constructions Pvt. Ltd.

### Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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