



Press Release

Ario Infrastructure Private Limited

February 22, 2022

Ratings

Sl. No.	Facility	Amount (Rs. Crore)	Ratings	Rating Action	Complexity indicator
1	Long Term Bank Facilities	4.00	IVR B; Issuer not cooperating* (IVR Single B; Issuer not cooperating)	Reaffirmed and moved to 'Issuer Not Cooperating Category'	Simple
2	Long Term/ Short Term Bank Facilities	20.00	IVR B; Issuer not cooperating* (IVR Single B; Issuer not cooperating)/IVR A4; Issuer not cooperating* (IVR A Four; Issuer not cooperating)	Reaffirmed and moved to 'Issuer Not Cooperating Category'	Simple
	Total	24.00 (Rupee Twenty-Four Crore Only)			

*Issuer did not cooperate; based on best available information

Details of Facility are in Annexure 1

Detailed Rationale

The rating is reaffirmed and moved to Issuer Not Cooperating' category because of lack of adequate information regarding Ario Infrastructure Private Limited (AIPL)'s performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy. 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.

Detailed description of the key rating drivers: Non-cooperation by Issuer

Infomerics has been seeking information from Ario Infrastructure Private Limited (AIPL) to monitor the rating vide its mails dated January 20, 2022, February 02, 2022, February 04, 2022, February 08, 2022, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the rating. Availability of



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information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank loan facilities of AIPL aggregating to Rs.24.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as "IVR B/ IVR A4: Issuer Not Co-operating; Based on best available information. (Long term IVR Single B and short term IVR A Four: Issuer Not Co-operating; Based on best available information)".

Analytical Approach & Applicable Criteria

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Rating Methodology for Manufacturing Companies](#)

About the Company

Ario Infrastructure Private Limited (AIPL) was initially established as a partnership firm by the name of M/s. Ario Brothers in 1976 by Mr. Ajit Sarkar and his brothers. The constitution of the firm was changed to a private limited company in 2009. AIPL is an onshore construction company involved in the city gas distribution and oil distribution networks. The company carries out major projects of cross-country pipeline, city gas distribution network, plant piping and equipment erection. At present, Mr. Ashok Sarkar (son of Mr. Ajit Sarkar) is the Director of the company. His wife, Mrs. Kalpana Sarkar is also a director in the company. The company's office is situated in Vadodara, Gujarat. The company has executed projects in the past for reputed PSU's like ONGC, IOCL, GAIL etc.

Financials (Standalone):

For the year ended* / As On	(Rs. crore)	
	31-03-2019	31-03-2020
	Audited	Provisional
Total Operating Income	20.77	12.94
EBITDA	3.01	1.65
PAT	0.66	0.47
Total Debt	11.84	11.24
Tangible Net worth	3.06	3.53
EBITDA Margin (%)	14.51	12.76
PAT Margin (%)	3.09	3.51



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Overall Gearing Ratio (x)	3.87	3.19
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*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 Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2020-21		Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19
1.	Cash Credit	Long Term	4.00	IVR B; Issuer Not Cooperating*	IVR B / Stable Outlook (01-12-2020)	IVR B+/Stable ; ISSUER NOT COOPERATING* (03-09-2020)	IVR B+ /Stable (09-05-2019)	-
2.	Inland/Foreign LC	Long Term /Short Term	2.00	IVR B; Issuer Not Cooperating*/ IVR A4 ; Issuer Not Cooperating*	IVR B; Stable Outlook/ IVR A4(01-12-2020)	-	-	-
3.	Bank Guarantee	Long Term /Short Term	18.00*	IVR B; Issuer Not Cooperating*/ IVR A4 ; Issuer Not Cooperating*	IVR B; Stable Outlook/ IVR A4(01-12-2020)	IVR B+; Stable /IVR A4; ISSUER NOT COOPERATING* (03-09-2020)	IVR B+; Stable/IVR A4 (09-05-2019)	-

*Issuer did not cooperate; based on best available information

Name and Contact Details of the Rating Analyst:

Name: Ms. Poulami Ghosh	Name: Mr. Avik Podder
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Tel: (033) 46022266

Email: poulami.ghosh@infomerics.com

Tel: (033) 46022266

Email: apodder@infomerics.com

About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most companied & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund based facilities- Cash Credit	-	-	-	4.00	IVR B; Issuer Not Cooperating*
Long Term/Short Term Non-Fund based facilities- Inland/Foreign LC	-	-	-	2.00	IVR B; Issuer Not Cooperating*/ IVR A4 ; Issuer Not Cooperating*
Long Term/Short Term Non-Fund based facilities- Bank Guarantee	-	-	-	18.00	IVR B; Issuer Not Cooperating*/ IVR A4 ; Issuer Not Cooperating*



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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details: Not available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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.

