

Aarti InfrA-Projects Private Limited

November 26, 2021

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	26.23	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	15.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	-	Withdrawn	Withdrawn
Total Facilities	41.23 (Rs. Forty-One Crore and Twenty-Three Lakhs Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated October 27, 2020, placed the rating(s) of Aarti InfrA-Projects Private Limited (AIPL) under the 'issuer non-cooperating' category as AIPL 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. AIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 12, 2021, September 22, 2021, October 02, 2021.

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

Further, rating assigned to the letter of credit facility has been withdrawn as the company has surrendered the same.

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

Detailed description of the key rating drivers

Please refer to PR dated [October 27, 2020](#)

Analytical approach: Standalone

Applicable Criteria:

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

[Policy on default recognition](#)

About the company

Nagpur-based, Aarti Infra-Projects Private Limited (AIPL) was incorporated in May 2006 and is a part of the Mandhana Group of Industries. Promoted by Mr Kanhaiyalal S Mandhana, and its entire shares are held by the Mandhana family. AIPL operates in three verticals viz, irrigation projects (barrage/dam radial gates and others), thermal power projects (fabrication and erection of heavy structures for power station and others) and hydro power projects (automatic tilting gates, high radial gates etc.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

Brief financials of AIPL are tabulated below:

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)
Total operating income	9.86	13.28
PBILDIT	-6.44	0.01
PAT	-7.09	-0.28
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	0.47

A: Audited; NM: Not Meaningful

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Disclosure of Interest of Independent/Non-Executive Directors, Managing Director & CEO: Not Applicable

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 Company: Please refer Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	9.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantees	-	-	-	15.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	0.00	Withdrawn
Term Loan-Long Term	-	-	June 2024	17.23	CARE D; 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-Cash Credit	LT	9.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (27-Oct-20)	1)CARE D; ISSUER NOT COOPERATING* (18-Nov-19)	1)CARE D; ISSUER NOT COOPERATING* (13-Jul-18)
2	Non-fund-based - ST-Bank Guarantees	ST	15.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (27-Oct-20)	1)CARE D; ISSUER NOT COOPERATING* (18-Nov-19)	1)CARE D; ISSUER NOT COOPERATING* (13-Jul-18)
3	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (27-Oct-20)	1)CARE D; ISSUER NOT COOPERATING* (18-Nov-19)	1)CARE D; ISSUER NOT COOPERATING* (13-Jul-18)
4	Term Loan-Long Term	LT	17.23	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (27-Oct-20)	1)CARE D; ISSUER NOT COOPERATING* (18-Nov-19)	1)CARE D; ISSUER NOT COOPERATING* (13-Jul-18)

*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 Company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantees	Simple
3	Non-fund-based - ST-Letter of credit	Simple
4	Term Loan-Long Term	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mr. Mradul Mishra

Contact No.: +91-22-6754 3573

Email ID – mradul.mishra@careratings.com

Analyst Contact

Ms. Shachee Vyas

Contact No.: +91-79-4026 5665

Email ID – shachee.tripathi@careratings.com

Relationship Contact

Mr. Aakash Jain

Contact No.: 020-40009000

Email ID – aakash.jain@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**