

Press Release
OCEAN MOTORS PRIVATE LIMITED
June 17, 2025
Rating Downgraded



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	73.39	ACUITE C Downgraded	-
Bank Loan Ratings	4.11	ACUITE D Downgraded	-
Bank Loan Ratings	3.50	-	ACUITE A4 Downgraded
Total Outstanding Quantum (Rs. Cr)	81.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE D**' (read as **ACUITE Df**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) on Rs. 4.11 Cr. bank facilities of Ocean Motors Private Limited (OMPL). Also, Acuite has downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and downgraded the short-term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A4+**' (read as **ACUITE A four plus**) on Rs. 76.89 Cr. bank facilities of Ocean Motors Private Limited (OMPL).

Rationale for downgrade

The downgrade is on account of delays identified in servicing of debt obligation by the company in the recent months as reflected in the credit information bureau report (CRIF).

About the Company

Ocean Motors Private Limited (Erstwhile Patel Service Center) is an Indore, Madhya Pradesh based company which was established in the year 2002 as a proprietorship firm and was later reconstituted as a private limited company in the year 2011. The company was initially engaged as a Maruti Authorized Service Station and later in the year 2011, the company became dealer of MSIL. The company is promoted by Mr. Mahendra Patel and Mr. Ravi Nagar. The company owns 13 showrooms which includes 10 showrooms of Arena and 3 showrooms of NEXA, all located in Madhya Pradesh.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profiles of OMPL to arrive at this rating.

Key Rating Drivers

Strengths

Extensive management experience and long track record of operations

The company has an established track record of operations of more than two decades in the automobile industry. Further, the company benefits from its association with MSIL and its aggressive marketing strategy. Apart from the sales of new cars, the company has diversified its business into sales of pre-owned cars (true value

showrooms), motor driving school, spare parts and services, and acts as a direct selling agent for non-banking financial companies (NBFCs) and insurance companies.

Weaknesses

Delay in servicing of debt obligations

Instances of delays in debt-servicing have been reported in the month of December 2024, January 2025, and April 2025 as per the credit bureau information report (CRIF) of the company.

Rating Sensitivities

Timely servicing of debt obligations

Liquidity Position Stretched

The company's liquidity position is marked stretched due to instances of delays in servicing of debt obligation as per CRIF report.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	537.07	438.59
PAT	Rs. Cr.	1.71	1.53
PAT Margin	(%)	0.32	0.35
Total Debt/Tangible Net Worth	Times	4.77	2.05
PBDIT/Interest	Times	1.95	2.26

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
02 Jan 2025	Bank Guarantee/Letter of Guarantee	Short Term	3.50	ACUITE A4+ (Reaffirmed)
	Inventory Funding	Long Term	14.00	ACUITE BB+ Stable (Reaffirmed)
	Inventory Funding	Long Term	15.00	ACUITE BB+ Stable (Reaffirmed)
	Proposed Inventory Funding	Long Term	15.00	ACUITE BB+ Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.37	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	4.11	ACUITE BB+ Stable (Reaffirmed)
	Inventory Funding	Long Term	12.10	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	0.92	ACUITE BB+ Stable (Reaffirmed)
05 Oct 2023	Bank Guarantee/Letter of Guarantee	Short Term	3.50	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	13.00	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	12.84	ACUITE BB+ Stable (Reaffirmed)
	Inventory Funding	Long Term	6.10	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	1.56	ACUITE BB+ Stable (Reaffirmed)
	Inventory Funding	Long Term	14.00	ACUITE BB+ Stable (Reaffirmed)
	Inventory Funding	Long Term	15.00	ACUITE BB+ Stable (Reaffirmed)
	Proposed Inventory Funding	Long Term	15.00	ACUITE BB+ Stable (Assigned)
03 Jul 2023	Bank Guarantee/Letter of Guarantee	Short Term	3.50	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3)
	Cash Credit	Long Term	8.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Secured Overdraft	Long Term	5.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	22.85	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Inventory Funding	Long Term	6.10	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Term Loan	Long Term	1.98	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
	Proposed Long Term Bank Facility	Long Term	18.57	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB- Stable)
26 Apr 2022	Bank Guarantee/Letter of Guarantee	Short Term	3.50	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE BBB- Stable (Reaffirmed)
	Secured Overdraft	Long Term	5.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	22.85	ACUITE BBB- Stable (Reaffirmed)
	Inventory Funding	Long Term	6.10	ACUITE BBB- Stable (Reaffirmed)

	Term Loan	Long Term	1.98	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	18.57	ACUITE BBB- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.50	Simple	ACUITE A4 Downgraded (from ACUITE A4+)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.00	Simple	ACUITE C Downgraded (from ACUITE BB+)
Axis Bank	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE C Downgraded (from ACUITE BB+)
Indusind Bank Ltd	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE C Downgraded (from ACUITE BB+)
ICICI Bank Ltd	Not avl. / Not appl.	Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.10	Simple	ACUITE C Downgraded (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Inventory Funding	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE C Downgraded (from ACUITE BB+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.37	Simple	ACUITE C Downgraded (from ACUITE BB+)
Kotak Mahindra Prime Limited	Not avl. / Not appl.	Term Loan	21 Dec 2021	Not avl. / Not appl.	05 Jan 2027	4.11	Simple	ACUITE D Downgraded (from ACUITE BB+)
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	31 Jan 2020	Not avl. / Not appl.	29 Jun 2026	0.92	Simple	ACUITE C Downgraded (from ACUITE BB+)

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Akshit Agrawal Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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