



Press Release

OCEAN CONSTRUCTIONS INDIA PRIVATE LIMITED

June 22, 2023

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	ACUITE BB- Downgraded Issuer not co-operating*	-
Bank Loan Ratings	75.00	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	100.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB-**' (read as **ACUITE double B Minus**) from '**ACUITE BB**' (read as **ACUITE Double B**) and the short-term rating to '**ACUITE A4**' (read as **ACUITE A Four**) from '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs.100.00 crore bank facilities of Ocean Constructions India Private Limited (OCIPL). This rating is now an indicative rating and is based on best available information. The rating downgraded because of information risk.

About the Company

Ocean Constructions India Pvt. Ltd (OCIPL) is one of the leading infrastructure construction companies of Mangalore-Karnataka. The company was incorporated in the year 2008 to take over the running business which was carried on by the promoters as a proprietary concern and has been existence in this line of business for more than a decade. The company is concentrated on providing a pro-active and flexible construction service for a number of clients throughout Karnataka including Government PWD and Public Sector Undertakings. The company is a registered for carrying out contracts for various government departments such as PWD Class I Contractor, National Highways KBJNL, VJNL, CNL & KNL as a Category I contractor. The promoters of the company are Mr. Sharfudin Ali and his brother Mr. Inayat Ali & Mr. Abid Ali. The company is undertaking Irrigation works, Canal construction & Aqua duct works, Earth works & Land levelling, construction services like Concrete Roads, sub/foundations & superstructures, Laying and construction of roads and infrastructure projects and providing interiors to office complexes.

Non-cooperation by the issuer/borrower

The team had sent repeated reminders to the Company for latest information; however, despite multiple requests; the Company's management has not sent the required documents and are yet to submit the final latest documents for assigning the rating.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions

lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable

Other Factors affecting Rating

None

Key Financials:

The entity has not shared the latest financial statement for Acuite to comment.

Status of non-cooperation with previous CRA

ICRA vide its press release dated 20.07.2022, had rated the company to ICRA D; Issuer Not Cooperating.

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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. Acuite' 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
04 Apr 2022	Bank Guarantee	Short Term	15.00	ACUITE A4+ (Assigned)
	Secured Overdraft	Long Term	10.00	ACUITE BB Stable (Assigned)
	Bank Guarantee	Short Term	60.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Karnataka Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE A4 Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	60.00	ACUITE A4 Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE BB- Downgraded Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	10.00	ACUITE BB- Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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