

November 28, 2024

Ocean Constructions (India) Private Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	12.00	12.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	6.50	6.50	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Non Fund Based-Others	16.50	16.50	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	35.00	35.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term ratings of Ocean Constructions (India) Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D;ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Ocean Constructions (India) Private Limited, 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	Corporate Credit Rating Methodology Policy In Respect of Non-Cooperation by a Rated Entity Policy on Default Recognition Construction
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Ocean Constructions, a proprietorship firm set up in 2006 and owned by Mr. Sharfuddin Ali Mulki was taken over by Ocean Constructions India Private Limited (OCIPL, incorporated in 2008) in April 2013. OCIPL, promoted by Mr. Sharfuddin Ali and his brothers Mr. Inayath Ali and Mr. Abid Ali undertakes civil contracts involving irrigation canals, aqueducts, site grading & levelling and road works in Karnataka mainly for government clients including Karnataka Neeravari Nigam Limited (KNNL), Krishna Bhagya Jala Nigam Ltd (KBJNL), Public Works Department (PWD) Karnataka, National Highway Authority of India (NHAI), Visvesvaraya Jala Nigam Ltd (VJNL), National Mineral Development Corporation (NMDC) and Mangalore City Corporation (MCC). Ocean Constructions previously undertook subcontracting works for private companies including Shapoorji Pallonji and company Ltd and AMR India Ltd. Mr. Inayath Ali was previously the national secretary of National Students' Union of India (NSUI) and general secretary of Karnataka Pradesh Youth Congress Committee (KPYCC) and has good relationship with governmental agencies awarding the contracts.

Key Financial Indicator :

BSPL	FY2022	FY2023
Operating income	366.58	340.50
PAT	19.86	20.17
OPBDITA/OI	13.9%	13.1%
PAT/OI	5.4%	5.9%
Total outside liabilities/Tangible net worth (times)	0.39	1.19
Total debt/OPBDIT (times)	0.98	3.93
Interest coverage (times)	7.08	3.45

Source- MCA

Status of non-cooperation with previous CRA:

CRA	Status	Date Of Release
ACUITE	ACUITE B+/ACUITE A4; ISSUER NOT COOPERATING, Downgraded	September 18, 2024

Any other information: None

Rating history for past three years

Instrument	Type	Amount Rated (Rs. Crore)	Current Rating (FY2025)	Chronology of Rating History for the past 3 years						
			Date & Rating in	FY2024		FY2023		FY2022 *		
			NOV-28-2024	Date	Rating	Date	Rating	Date	Rating	
1	Cash Credit	Long Term 12.00	[ICRA]D; ISSUER NOT COOPERATING	30-Aug-2023	[ICRA]D; ISSUER NOT COOPERATING	20-Jul-2022	[ICRA]D; ISSUER NOT COOPERATING	19-May-2021	[ICRA]D; ISSUER NOT COOPERATING	
2	Term Loan	Long Term 6.50	[ICRA]D; ISSUER NOT COOPERATING	30-Aug-2023	[ICRA]D; ISSUER NOT COOPERATING	20-Jul-2022	[ICRA]D; ISSUER NOT COOPERATING	19-May-2021	[ICRA]D; ISSUER NOT COOPERATING	
3	Non Fund Based	Long Term 16.50	[ICRA]D; ISSUER NOT COOPERATING	30-Aug-2023	[ICRA]D; ISSUER NOT COOPERATING	20-Jul-2022	[ICRA]D; ISSUER NOT COOPERATING	19-May-2021	[ICRA]D; ISSUER NOT COOPERATING	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	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](#)

Annexure-I: 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	NA	NA	NA	12.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	NA	NA	NA	6.50	[ICRA]D; ISSUER NOT COOPERATING
NA	Non Fund Based	NA	NA	NA	16.50	[ICRA]D; ISSUER NOT COOPERATING

Source: Ocean Constructions (India) Private Limited

Annexure-II: List of entities considered for consolidated analysis: Not applicable

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About ICRA Limited:

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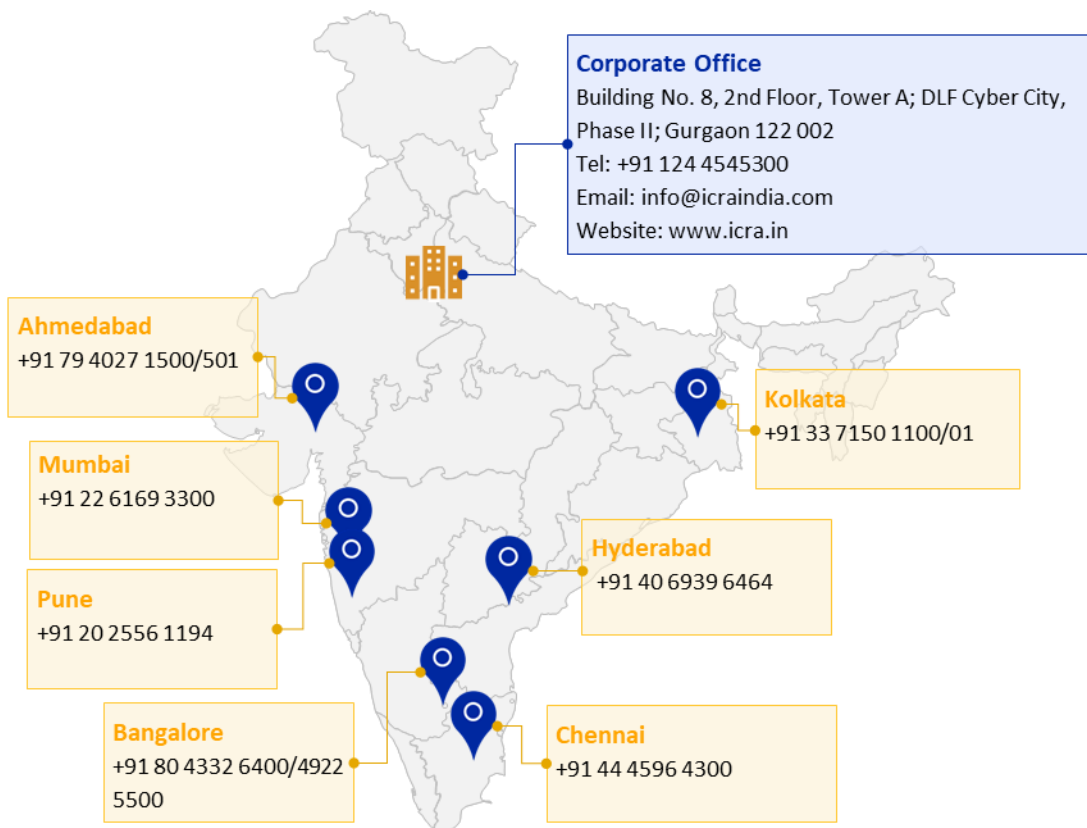
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