

December 28, 2023^(Revised)

Okinawa Autotech Internationall Private Limited: Long-term rating downgraded to [ICRA]B+; removed from watch with negative implication, assigned a Stable outlook and moved to 'ISSUER NOT-COOPERATING' category; Short-term rating moved to 'ISSUER NOT-COOPERATING' category and removed from watch with negative implication

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based – Term Loan	4.0	4.0	[ICRA]B+ ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB and moved to the 'Issuer Not Cooperating' category; Rating removed from watch with Negative Implication and assigned a Stable outlook
Long Tern / Short Term – Fund Based / Non-Fund Based Facilities	40.0	40.0	[ICRA]B+(Stable)/[ICRA]A4 ISSUER NOT COOPERATING*; Long term Rating downgraded from [ICRA]BB and moved to the 'Issuer Not Cooperating' category; Rating removed from watch with Negative Implication and assigned a stable outlook; Short-term rating moved to ISSUER NOT COOPERATING* category and removed from watch with negative implication
Total	44.0	44.0	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has downgraded and moved the bank loan ratings for **Okinawa Autotech Internationall Private Limited** to the 'Issuer Not Cooperating' category. The rating is denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING; the ratings has been removed from watch with negative Implication and a Stable outlook has been assigned on long term rating”.

The rating downgrade is because of lack of adequate information regarding Okinawa Autotech Internationall Private Limited’s performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its “Policy in respect of non-cooperation by a rated entity” available at www.icra.in. 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, despite the downgrade.

As part of its process and in accordance with its rating agreement with Okinawa Autotech Internationall Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated 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, a rating view has been taken on the entity 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 and Key financial indicators: [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 Rating Methodology – Two-Wheelers OEMs
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of OAIPL. As on March 31, 2022, the company had two subsidiaries, which are all enlisted in Annexure-2

About the company

Incorporated as a private limited company in 2015, Okinawa Autotech International Private Limited manufactures 2Ws in both the high-speed and low-speed varieties. The company is promoted by Mr. Jeetender Sharma and his wife, Dr. Rupali Sharma, and is based out of Gurgaon, Haryana. On a consolidated level, OAIPL has three manufacturing facilities—two operational and one under construction—at Alwar in Rajasthan. As on date, the company has a total installed assembly production capacity of ~1.5 lakh units per annum. At present, OAIPL's product portfolio consists of ~10 models, which are distributed through a 500-strong dealership network.

In May 2022, OAIPL entered a joint venture with Tacita, an Italian manufacturer of electric and performance motorcycles. The new company, Okinawa Tacita International Private Limited, from the joint venture in June 2022, is slated to begin production from 2023–2024.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

Instrument		Current Rating (FY2024)					Chronology of Rating History for the past 3 years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of March 31, 2023 (Rs. crore)	Date & Rating in			Date FY2023	FY2022	FY2021	
					Dec 28, 2023	May 25, 2023	Oct 27, 2022	Oct 07, 2022	Apr 05, 2022	-	-
1	Term Loan	Long-term	4.0	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA] BB; Rating watch with negative implications	[ICRA] BB+; Rating watch with negative implications	[ICRA] BBB; Rating watch with negative implications	[ICRA] BBB (Positive)	-	-
2	Fund Based / Non-Fund Based Facilities	Long-term / Short Term	40.0	-	[ICRA]B+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA] BB Rating watch with negative implications / [ICRA]A4; Rating watch with negative implications	[ICRA] BB+ Rating watch with negative implications / [ICRA]A4+; Rating watch with negative implications	[ICRA] BBB Rating watch with negative implications / [ICRA]A3+; Rating watch with negative implications	[ICRA] BBB (Positive)/ [ICRA]A3+	-	-

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

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term fund-based – Term Loan	Simple
Long-term/Short-term – Fund based/non-fund-based Limits	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	Term Loan	Dec 15, 2021	--	FY2024	4.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Fund based/non-fund-based Limits	-	-	-	40.0	[ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure-II: List of entities considered for consolidated analysis:

Company Name	OAIPL Ownership	Consolidation Approach
Okinawa Autotech International Private Limited	100.00% (Rated entity)	Full Consolidation
Okinawa Parts India Private Limited	100.00%	Full Consolidation
Okinawa Scooters & Motorcycles India Private Limited	100.00%	Full Consolidation

Source: OAIPL Annual Report FY2022

Note: ICRA has factored in the consolidated financials of OAIPL while assigning the ratings.

Corrigendum

Document dated December 28, 2023, has been corrected with revisions as detailed below:

Revisions: - Page 4 – Typographical error in the details of lender wise facilities link on page 4 has been corrected

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About ICRA Limited:

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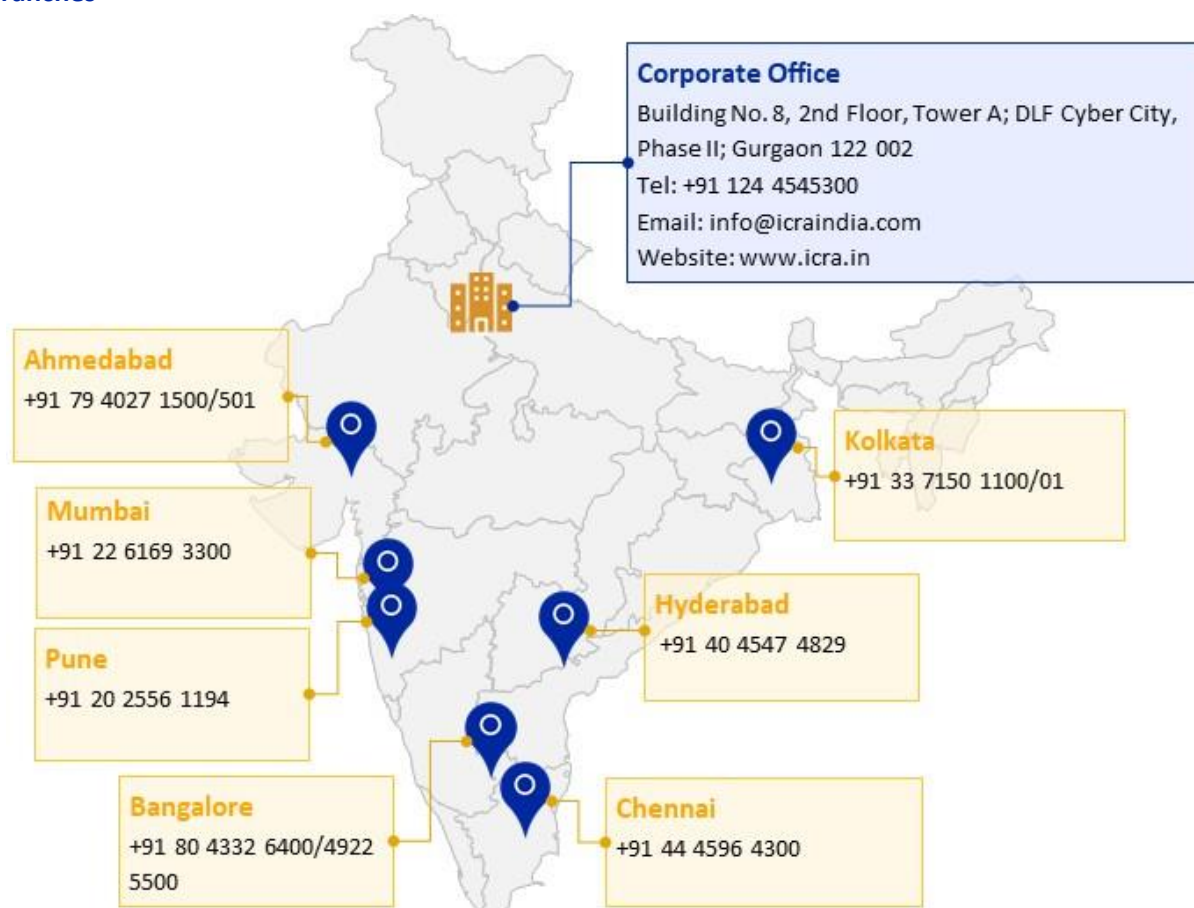
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