

April 08, 2024

Ocean Pearl Hotels Private Limited: Moved to Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term/ Short-term - Fund based limits	65.00	65.00	[ICRA]C+ ISSUER NOT COOPERATING/ [ICRA]A4 ISSUER NOT COOPERATING*; Moved to the Issuer Not Cooperating category
Total	65.00	65.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

As part of its process and in accordance with its rating agreement with Ocean Pearl Hotels Private Limited, ICRA has been trying to seek information from the entity 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 moved 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, 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 Hotels Policy in respect of Non-cooperation by a rated entity
Parent/Group support	NA
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of OPHPL. As on March 31, 2023, the company had a subsidiary and a partnership firm, which are all enlisted in Annexure-II.

About the company

Mr. Jayaram Banan began operating OPHPL from 1986 with a restaurant called Sagar Ratna in Defence Colony, New Delhi. In 2010, the company opened an 84-room, four-star luxury hotel in Mangalore, Karnataka. In FY2012, the company hived off its restaurant business and transferred its assets and liabilities to its wholly-owned subsidiary, SRRPL. Later it sold its ~76% equity stake in SRRPL to a private equity (PE) firm. Subsequently, in 2012, OPHPL started banqueting services at a leased farmhouse in Chhatarpur, New Delhi, and named it Ocean Retreat. In May 2017, OPHPL bought back the ~76% stake in SRRPL from the PE firm, which was entirely funded by debt.

At present, OPHPL operates an 84-room hotel in Mangalore, two banquet halls in New Delhi, two restaurants at Ashoka Hotel, New Delhi, a 50-room hotel at Udupi, Karnataka, with an adjacent banquet hall with a 300-pax capacity, a 68-room hotel in

Bejai (Mangalore) and a 29-room hotel in Hubli, Karnataka. Further, OPHPL owns the Sagar Ratna restaurant chain via its 100% subsidiary, SRRPL.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2025)		Chronology of Rating History for the past 3 years				
		Amount Rated (Rs. crore)	Amount Outstanding as of Mar 31, 2023 (Rs. crore)	Date & Rating in FY2025	Date & Rating in FY2024	Date & Rating in FY2023		
				Apr 8, 2024	May 11, 2023	-	Feb 24, 2022	Jul 05, 2021
1	Fund-based limits	65.00	-	[ICRA]C+ / [ICRA]A4 ISSUER NOT COOPERATING	[ICRA]C+ / [ICRA]A4	-	-	-
2	Fund-based limit-Cash credit	-	-	-	-	-	[ICRA]C+	[ICRA]D
3	Unallocated limits	-	-	-	-	-	[ICRA]C+ / [ICRA]A4	[ICRA]D / [ICRA]D

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term/ Short-term – 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, are 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	Long-term/ Short-term – Fund-based limits	NA	NA	NA	65.00	[ICRA]C+/[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	OPHPL Ownership	Consolidation Approach
Ocean Pearl Hotels Private Limited	100.00% (rated entity)	Full Consolidation
Sagar Ratna Restaurants Private Limited	100.00%	Full Consolidation
Swagath	80.00%	Full consolidation

Source: Company

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Branches



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