

Om Buddha International Construction Private Limited: Ratings withdrawn

July 01, 2024

Summary of rating action

Instrument	Last Rated Amount (NPR million)	Rating Action
Long-term, fund-based loan limits	95.5	Ratings withdrawn
Short-term, fund-based loan limits	55.0	
Short-term, non-fund-based loan limits	697.5	
Short-term limits (Unallocated and Proposed)	652.0	
Total	1,500.0	

Rating action

ICRA Nepal has withdrawn the long-term loan rating of [ICRANP] LD 'Issuer Not Cooperating' (pronounced ICRA NP LD, Issuer Not Cooperating) and the short-term rating of [ICRANP] D 'Issuer Not Cooperating' (pronounced ICRA NP D, Issuer Not Cooperating) assigned to Om Buddha International Construction Private Limited (Om Buddha). The rating action has been taken in accordance with the Credit Rating Regulations 2011, following the non-cooperation from Om Buddha in providing information for rating surveillance, despite multiple follow-ups. The ratings were kept on notice for withdrawal for a period of six months, during which period also, there was no cooperation from the company for ratings surveillance. ICRA Nepal does not have any information to suggest that the credit risk has changed since the time the ratings were last reviewed.

Rationale

The key rating drivers, rating sensitivities, key financial indicators have not been captured as the ratings are being withdrawn.

ICRA Nepal assesses whether the information available about the entity is commensurate with its ratings and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's 'Withdrawal/Suspension Policy' available at www.icranepal.com. As part of its process and in accordance with its rating agreement with Om Buddha, ICRA Nepal had been trying to seek comprehensive information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management has remained largely non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the ratings have been withdrawn.

Links to the previous rating rationales:

[Rationale – Om Buddha International Construction Private Limited Issuer not cooperating December 2023](#)

[Rationale – Om Buddha International Construction Private Limited Fresh BLR May 2022](#)

Analytical approach: For arriving at the ratings, ICRA Nepal has applied its rating methodologies as indicated below.

Links to the applicable criteria:

[Corporate Credit Rating Methodology](#)

[ICRA Nepal's policy on withdrawal of credit rating](#)

About the company

Established in 2006, Om Buddha International Construction Private Limited is a closely held company wherein the entire paid-up capital was held by three individual members (when last rated) with the largest stake of 64% being held by its chairperson Mr. Dipesh Lama. The company is a “Class-A” contractor and is primarily focused on the construction of roads and buildings and deals mostly in public projects.

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About ICRA Nepal Limited:

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Our parent company, ICRA Limited, was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment information and credit rating agency. Today, ICRA and its subsidiaries together form the ICRA Group of Companies.

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