

October 17, 2024

Intech Organics Limited: Change in limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term - Cash credit - Fund based	103.90	133.90	[ICRA]BBB+ (Stable); outstanding
Long term - Term loan - Fund based	52.12	61.16	[ICRA]BBB+ (Stable); outstanding
Short term – Others – Non-fund based	37.25	57.25	[ICRA]A2; outstanding
Long term/Short term - Unallocated	92.73	33.69	[ICRA]BBB+ (Stable)/ [ICRA]A2; outstanding
Total	286.00	286.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, the liquidity position ,rating sensitivities and key financial indicator : [click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Chemicals
Parent/Group support	NA
Consolidation/Standalone	For arriving at the ratings, ICRA has consolidated the financials of IOL with its subsidiaries as mentioned in Annexure II, given the common management and significant operational and financial linkages among them

About the company

IOL, incorporated in 1999, commenced the commercial production of MeBr in 2004. The name and corporate status of the company changed from Intech Pharma Private Limited in September 2017. The gas is primarily used for the fumigation of commodities (rice, wheat and other foodgrains) or other materials that are packed in wooden containers and are prone to infestation by pests. The current promoter, Mr. Navanshu Saharan, took over the company in 2007 from the original promoters. IOL is an associate company of PKIPL, a company promoted by the Saharan family, which is involved in the business of fumigation services and trading of fumigants. PKIPL provides services such as vessel on-board fumigation, container fumigation, empty shiphold fumigation, bulk/bagged commodity fumigation and factory/plant fumigation.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2025)					Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs Crore)	Oct 17, 2024	FY2025		FY2024		FY2023		FY2022	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Short term-others-non fund based	Short Term	57.25	[ICRA]A2	24-SEP-2024	[ICRA]A2	24-JUL-2023	[ICRA]A2	05-MAY-2022	[ICRA]A2	02-JUN-2021	[ICRA]A2
Long term-term loan-fund based	Long Term	61.16	[ICRA]BBB+ (Stable)	24-SEP-2024	[ICRA]BBB+ (Stable)	24-JUL-2023	[ICRA]BBB+ (Stable)	05-MAY-2022	[ICRA]BBB+ (Stable)	02-JUN-2021	[ICRA]BBB+ (Stable)
Long term / short term-unallocated-unallocated	Long Tem/ Short Term	33.69	[ICRA]BBB+ (Stable)/ [ICRA]A2	24-SEP-2024	[ICRA]BBB+ (Stable)/ [ICRA]A2	24-JUL-2023	[ICRA]BBB+ (Stable)/ [ICRA]A2	05-MAY-2022	[ICRA]BBB+ (Stable)/ [ICRA]A2	02-JUN-2021	[ICRA]BBB+ (Stable)/ [ICRA]A2
Long term-cash credit-fund based	Long Term	133.90	[ICRA]BBB+ (Stable)	24-SEP-2024	[ICRA]BBB+ (Stable)	24-JUL-2023	[ICRA]BBB+ (Stable)	05-MAY-2022	[ICRA]BBB+ (Stable)	02-JUN-2021	[ICRA]BBB+ (Stable)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term loan	Simple
Long-term fund based – Cash credit	Simple
Short term – Non-fund based - Others	Very Simple
Long term/Short term - Unallocated	NA

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	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	FY2020 – FY2024	8%-10% p.a.	FY2025 - FY2031	61.16	[ICRA]BBB+ (Stable)
NA	Cash credit	NA	NA	NA	133.90	[ICRA]BBB+ (Stable)
NA	Non-fund based limits	NA	NA	NA	57.25	[ICRA]A2
NA	Unallocated	NA	NA	NA	33.69	[ICRA]BBB+ (Stable)/[ICRA]A2

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	Ownership	Consolidation Approach
Intech Organics Limited	100.00% (rated entity)	Full Consolidation
Intech Brinechem Limited	100%	Full Consolidation
Intech Australia Pty Limited	100%	Full Consolidation
Aarsh Trading BV	100%	Full Consolidation

Source: Company financial statements

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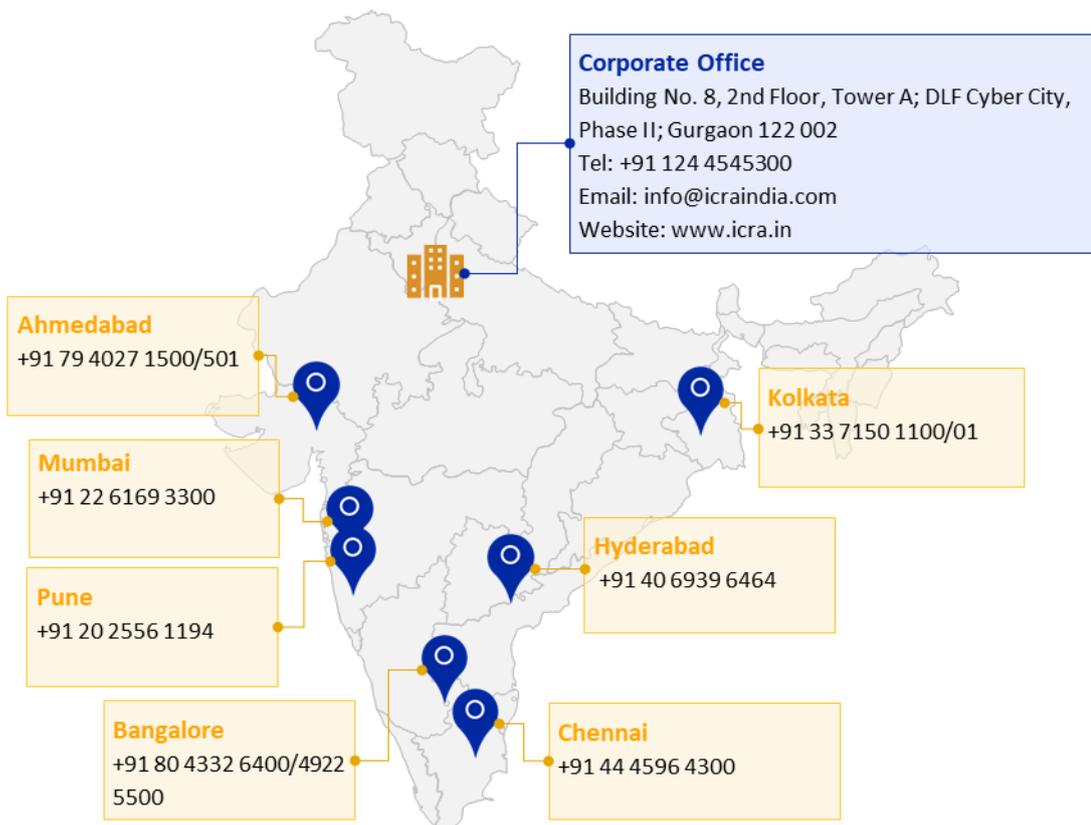
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