

December 07, 2023

Organic India Private Limited: Continues to remain in Issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term/ Short Term-Fund Based-Cash Credit	88.00	88.00	[ICRA]BB+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB+(Stable)/[ICRA]A2 and continues to remain under 'Issuer Not Cooperating' category
Long Term- Fund Based-Term Loan	12.00	12.00	[ICRA]BB+(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB+(Stable) and continues to remain under 'Issuer Not Cooperating' category
Total	100.00	100.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

The rating downgrade is attributable to the lack of adequate information regarding **Organic India Private Limited** 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 **Organic 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, 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 –Fast Moving Consumer Goods(FMCG)
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial statements of the rated entity.

About the company

OIPL, established in 1997, is an organic health and wellness product manufacturing company with a manufacturing facility in Lucknow. Its product profile includes organically certified tulsi herbal infusions, herbal supplements, Ayurvedic medicines and other organic food products and spices. OIPL's network of farmers are in Uttar Pradesh, Rajasthan, Gujarat, and Madhya Pradesh. The company was founded by Mr. Yoav Lev and Mrs. Holly B Lev in 1997. Fabindia holds a 63.79% equity stake in OIPL and share a common management. In FY2023, Prem Ji Invest purchased 15% stake in OIPL as part of a secondary sale from promoter group.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History			for the past 3 years	
		Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)*	Date & Rating in		Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				Dec 07, 2023	Jun 08, 2023	Jul 21, 2022	Oct 07, 2021	Jul 10, 2020
1 Cash Credit**	Long-term/ Short-Term	88.00	-	[ICRA]BB+(Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BBB+(Stable)/ [ICRA]A2; ISSUER NOT COOPERATING	[ICRA]A+(Stable)/ [ICRA]A1	[ICRA]A+(Stable)/ [ICRA]A1+	[ICRA]A+(Stable)/ [ICRA]A1+
2 Term Loan	Long-term	12.00	12.00	[ICRA]BB+(Stable); ISSUER NOT COOPERATING	[ICRA]BBB+(Stable); ISSUER NOT COOPERATING	[ICRA]A+(Stable)	[ICRA]A+(Stable)	[ICRA]A+(Stable)
3 Unallocated	Long-term/ Short-Term	-	-	-	-	[ICRA]A+(Stable)/ [ICRA]A1	-	-

Source: Company, *as of March 2023, **WCDL is the sublimit

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-Term/ Short-Term– Cash Credit	Simple
Long Term-Term Loan	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	88.00	[ICRA]BB+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING
NA	Term Loan	Oct 2022	NA	Sep 2027	12.00	[ICRA]BB+(Stable); ISSUER NOT COOPERATING

Source: Organic India Private Limited

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

Company Name	Ownership	Consolidation Approach
Organic India Private Limited	NA*	Full consolidation
Organic India USA LLC	100%	Full consolidation

Source: Company, *parent company

ANALYST CONTACTS

Shamsher Dewan
91 124 4545 328
shamsherd@icraindia.com

Subhechha Banerjee
+91 33 7150 1130
subhechha.banerjee@icraindia.com

Susmita Biswas
+91-033 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

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 (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.