



**Press Release**  
**Sikkim Iffco Organics Limited**  
**July 19, 2024**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	33.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	33.00	-	-

**Rating Rationale**

Acuité has downgraded long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B Plus**) from '**ACUITE A-**' (read as **ACUITE A minus**) on the Rs. 33.00 Crore bank facilities of Sikkim Iffco Organics Limited. The rating is now flagged as "Issuer Not Cooperating" and is based on the best information available. The rating downgrade is on account of information risk.

**About the Company**

Sikkim Iffco Organics Limited (SIOL), incorporated in 2018, is a 51:49 joint venture of Indian Farmer Fertilizer Cooperative Limited (IFFCO) and State Government of Sikkim (GoS). SIOL is developing a processing facility for spices like ginger, turmeric, large cardamom and buckwheat in Rangpo, Sikkim. Mr. Jigme Dorjee Bhutia, Mr. Anbalagan Sundaram, Mr. Manish Gupta, Mr. Navin Nath are the directors of the company. The registered address of company is New Delhi.

**Unsupported Rating**

Acuite BB-

**Non-cooperation by the issuer/borrower**

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date. Acuité believes that information risk is a critical component in such ratings, and non - cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

**Limitation regarding information availability**

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**Rating Sensitivities**

No information provided by the issuer / available for Acuité to comment upon.

**Liquidity Position**

No information provided by the issuer / available for Acuité to comment upon.

**Outlook**

Not Applicable.

**Other Factors affecting Rating**

None.

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	0.58	0.03
PAT	Rs. Cr.	(0.04)	(0.09)
PAT Margin	(%)	(7.42)	(325.30)
Total Debt/Tangible Net Worth	Times	0.56	0.50
PBDIT/Interest	Times	1.57	0.83

### Status of non-cooperation with previous CRA

Not Applicable.

### Any other information

None.

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
04 May 2023	Proposed Term Loan	Long Term	33.00	ACUITE A-   Stable (Reaffirmed)
17 Feb 2022	Term Loan	Long Term	33.00	ACUITE A-   Stable (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not avl. / Not appl.	Proposed Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	33.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A- )

**\*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company Name
1	Indian Farmer Fertilizer Cooperative Limited
2	Sikkim Iffco Organics Limited

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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