



**Press Release**  
**ECO ORGANICS**  
**March 07, 2025**  
**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	48.52	ACUITE BB-   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	11.50	-	ACUITE A4   Downgraded   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	60.02	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

\* The issuer did not co-operate; based on best available information.

**Rating Rationale**

Acuite has downgraded its long-term rating to '**ACUITE BB-**' (read as **ACUITE Double B Minus**) from '**ACUITE BB**' (read as **ACUITE Double Ba**) and short-term rating to '**ACUITE A4**' (read as **ACUITE A Four**) from '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs.60.02 crore bank facilities of Eco Organics (EO).

The rating is now flagged as “Issuer Not-Cooperating” on account of information risk and is based on the best available information. The rating has been downgraded on account of information risk and the company has not provided latest No Default Statement (NDS) for last 3 months consecutively.

**About the Company**

Established in 2003, Eco Organics (EO) a partnership firm based in Rampur, Uttar Pradesh, engaged in manufacturing and sale of essential oils, menthol & allied products, organic and inorganic chemicals & flavours. The products are mainly used in oral care products, chewing gum, cosmetics, pharma etc. The firm is an ISO certified and undertakes to produce 100% natural products free from adulterants. Mr. Vipin Kum, Mr. Rupam Gupta and Mr. Vyom Varhsney are the Partners of the Firm.

**Unsupported Rating**

Not Applicable

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

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite believes that information risk is a critical component in such ratings, and noncooperation 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 Acuite's policies.

### **Limitation regarding information availability**

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management

interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. 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 Acuite to comment upon.

### **Liquidity Position**

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

### **Outlook: Not Applicable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	148.36	149.90
PAT	Rs. Cr.	1.81	1.15
PAT Margin	(%)	1.22	0.76
Total Debt/Tangible Net Worth	Times	2.59	2.59
PBDIT/Interest	Times	1.58	1.50

### Status of non-cooperation with previous CRA

Not Applicable

### Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)

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, Acuité 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
30 Apr 2024	Proposed Packing Credit	Short Term	11.50	ACUITE A4+ (Assigned)
	Working Capital Term Loan	Long Term	3.52	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE BB   Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Bank of Baroda	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB )
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB )
Not Applicable	Not avl. / Not appl.	Proposed Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.50	Simple	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A4+ )
Bank of Baroda	Not avl. / Not appl.	Working Capital Term Loan	04 Aug 2023	Not avl. / Not appl.	19 Aug 2026	3.52	Simple	ACUITE BB-   Downgraded   Issuer not co-operating* ( from ACUITE BB )

\* The issuer did not co-operate; based on best available information.

## 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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