

August 03, 2021

RSPL Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
NCD Program	300.00	-	[ICRA]AA- (Negative) withdrawn
Commercial paper programme	400.00	-	[ICRA]A1+ withdrawn
Total	700.0	-	

*Instrument details are provided in Annexure-1

Rationale

The rating assigned for the long-term debt programme of RSPL Limited (RSPL) has been withdrawn in accordance with ICRA's policy on withdrawal and suspension at the request of the company, as the proposed NCD was not placed. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale can be found [here](#).

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group Support	Not applicable
Consolidation / Standalone	The ratings are based on standalone financials of the company.

About the company

RSPL Limited (RSPL) is the flagship of the RSPL Group and is one of the leading manufacturers and marketer of detergents in India in the popular brand within the laundry care segment with its brand "Ghadi". RSPL was incorporated on June 22, 1988 as Shri Mahadeo Soap Industries Private Limited. On June 17, 2005, the company's name was changed to Rohit Surfactants Private Limited following the merger of four group companies, also engaged in the manufacture of detergent cake and powder, with RSPL. In 2008, the group underwent a restructuring, which resulted in the detergent and leather business being consolidated in Rohit Surfactants, while the real estate business of the group was separated. In 2011, the leather business of the company was also hived off into a separate entity and the company was converted into a public limited company from August 29, 2011 and was renamed as RSPL Limited. The company is a closely held company held by the Gyanchandani family of Kanpur.

The company has steadily expanded its operations over the years and currently has 25 manufacturing units spread across India. Besides, the company also has its own packaging units at Greater Noida and Kanpur. The company sells detergents in the economy segment under the "Ghadi" brand, toilet soaps under the "Venus" brand and dish-wash bars under the "Xpert" brand. RSPL has a large marketing set up with over 3,300 exclusive distributors. The company also has wind energy units in five states with a total generation capacity of 50.1 MW.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of June 30, 2021 (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
					3 Aug 2021	16 Oct 2020	13 Feb 2020	25 Jan 2019
1	NCD	Long Term	-	-	[ICRA]AA- (Negative) withdrawn	[ICRA]AA- (Negative)	[ICRA]AA- (Negative)	[ICRA]AA-(Stable)
2	Commercial paper programme	Short Term	-	-	[ICRA]A1+ withdrawn	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3	Fund based, Long term	Long term	-	-	-	[ICRA]AA-(Negative); Reaffirmed and Withdrawn	[ICRA]AA-(Negative)	[ICRA]AA-(Stable)
4	Term Loans	Long term	-	-	-	[ICRA]AA-(Negative); reaffirmed and withdrawn	[ICRA]AA-(Negative)	[ICRA]AA-(Stable)
5	Proposed term loans	Long term	-	-	-	[ICRA]AA-(Negative); reaffirmed and withdrawn	[ICRA]AA-(Negative)	[ICRA]AA-(Stable)
6	Non fund based, short term	Short Term	-	-	-	[ICRA]A1+; reaffirmed and withdrawn	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity Indicator
NCD	Simple
Commercial paper programme	Simple
Fund based, Long term	Simple
Term Loans	Simple
Proposed term loans	Simple
Non fund based, short term	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 analyzing 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: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
_*	NCD	-	-	-	300.0	[ICRA]AA- (Negative) withdrawn
Unplaced	Commercial Paper	-	-	-	400.0	[ICRA]A1+ withdrawn

Source: Company; *NCD was repaid and thus no ISIN exists for the NCD now

Annexure-2: List of entities considered for consolidated analysis

Company Name	RSPLs ownership	Consolidation Approach
-	-	-

Source: RSPL

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