

October 31, 2019

Greenstar Fertilizers Limited: Rating withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term, Fund-based	125.00	125.00	[ICRA]BBB- (Stable); Withdrawn
Long-term, Unallocated facilities	275.00	275.00	[ICRA]BBB-(Stable); Withdrawn
Total	400.00	400.00	

*Instrument details are provided in Annexure 1

Rationale

The rating is withdrawn at the request of the company in accordance with ICRA's policy on withdrawal and suspension of credit rating, and based on the no objection certificate (NOC) provided by its bankers.

Key rating drivers

Key rating drivers has not been captured as the rated instrument(s) are being withdrawn.

Liquidity position: Not applicable

Rating Sensitivities: Not applicable

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not Applicable
Consolidation / Standalone	Standalone

About the company:

GFL came into existence by hiving-off the erstwhile phosphatic fertiliser division from Southern Petrochemical Industries Corporation Limited (SPIC) in October 2011. The company is currently held by the various entities controlled by Mr. Ashwin Muthiah. The company manufactures Di Ammonium Phosphate (DAP) and NPK Complex in its Tuticorin manufacturing plant and markets it across India. In addition, GFL also markets various industrial products which are produced as by-products as well imported fertilisers and other products. The Company has a leading share in the phosphatic fertiliser market in Tamil Nadu and a substantial share in the southern market. In addition to the fertiliser production plant, the company also operates plants to produce various intermediaries like Phosphoric Acid and Sulphuric Acid.

Key financial indicators

	FY2018	FY2019P
Operating Income (Rs. crore)	2,274.8	2,179.8
PAT (Rs. crore)	118.4	119.7
OPBDIT/OI (%)	5.2%	5.5%
RoCE (%)	12.4%	11.1%
Total Outside Liabilities/Tangible Net Worth (times)	11.8	10.1
Total Debt/OPBDIT (times)	6.0	4.8
Interest Coverage (times)	1.8	1.9
DSCR	0.7	0.7

P: Provisional

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in FY2020 31-Oct 2019	Date & Rating in FY2019 30-Apr 2018	Date & Rating in FY2017 24-Feb 2017	Date & Rating in FY2016 22-Dec 2015	
Fund-Based Facilities	Long term	125.00	125.00	[ICRA]BBB-; (Stable); Withdrawn	[ICRA]BBB-; (Stable)	[ICRA]BBB-; (Stable)	[ICRA]BBB-; (Stable)	
Unallocated Facilities	Long term	275.00	275.00	[ICRA]BBB-; Withdrawn	[ICRA]BBB-; (Stable)	-	-	

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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
NA	Fund-Based Facilities	NA	NA	NA	125.00	[ICRA]BBB-(Stable); Withdrawn
NA	Long-term, Unallocated	NA	NA	NA	275.00	[ICRA]BBB-; Withdrawn

Source: Greenstar Fertilizers Limited

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