

May 21, 2024

Star Global Endura Limited: Change in limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term- Fund based- Cash Credit	8.40	8.40	[ICRA]B+(Stable); Outstanding
Long term Fund based – Bill discounting facility	-	2.00	[ICRA]B+(Stable); Outstanding
Long Term-Fund Based-Term Loan	1.30	2.10	[ICRA]B+(Stable); Outstanding
Short Term-Non-Fund Based-Bank Guarantee	2.00	2.00	[ICRA]A4; Outstanding
Short Term-Non-Fund Based-Letter of Credit	4.50	4.50	[ICRA]A4; Outstanding
Long Term / Short Term-Unallocated-Unallocated	6.80	4.00	[ICRA]B+(Stable)/ [ICRA]A4; Outstanding
Total	23.00	23.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the rated limits as depicted in the table above, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, the liquidity position and rating sensitivities: [click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the chemicals industry
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

M/S Star Global Endura Limited was incorporated on August 20, 2009, under the Company's Act 1956, as a private limited company, in the name of Star Global Endura Private Limited to manufacture multifilament yarns for woven sack, fertiliser, food grain and cement industries, and also for bag stitching requirements in geotextiles. On September 07, 2010, the company was converted into a public limited company and the name of the company was changed to Star Global Endura Limited (SGEL).

SGEL was jointly floated by Mr. Sanjay Jain (head of the Supreme Group) and Mr. Ranjan Sharma (head of the Star Global Group). The Supreme Group is running 4 companies, namely, Supreme Polymers Private Limited, Sidharth Polysacks Private Limited, Alliance Polysacks Private Limited and Star Global Endura Limited in the field of HDPP/HDPE woven sacks for the last

20 years and has a good customer base in Rajasthan. The Star Global Group is running Star Global Resources Ltd. and IFFCO Kisan Sanchar Ltd.

Key financial indicators (audited)

Standalone	FY2022	FY2023
Operating income	44.7	31.3
PAT	0.6	-2.1
OPBDIT/OI	6.8%	-1.4%
PAT/OI	1.4%	-6.7%
Total outside liabilities/Tangible net worth (times)	2.8	4.2
Total debt/OPBDIT (times)	5.2	-29.8
Interest coverage (times)	2.2	-0.3

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years			
		Amount rated (Rs. crore)	Amount outstanding as on March 31, 2023 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022
				May 21, 2024	September 29, 2023	-	-
1 Cash Credit	Long Term	8.40	-	[ICRA]B+ (Stable)	[ICRA]B+ (Stable)	-	-
2 Term Loan	Long Term	2.10	1.30	[ICRA]B+ (Stable)	[ICRA]B+ (Stable)	-	-
3 Bill discounting	Long Term	2.00		[ICRA]B+ (Stable)	-	-	-
4 Bank Guarantee	Short Term	2.00	-	[ICRA]A4	[ICRA]A4	-	-
5 Letter of Credit	Short Term	4.50	-	[ICRA]A4	[ICRA]A4	-	-
6 Unallocated	Long Term/Short Term	4.00	-	[ICRA]B+ (Stable)/[ICRA]A4	[ICRA]B+ (Stable)/[ICRA]A4	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Bill discounting	Simple
Bank Guarantee	Very Simple
Letter of Credit	Very Simple
Unallocated	Not Applicable

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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	8.40	[ICRA]B+ (Stable)
NA	Term Loan	FY20	8.5%	FY26	2.10	[ICRA]B+ (Stable)
NA	Bill discounting	-	-	-	2.00	[ICRA]B+ (Stable)
NA	Bank Guarantee	-	-	-	2.00	[ICRA]A4
NA	Letter of Credit	-	-	-	4.50	[ICRA]A4
NA	Unallocated	-	-	-	4.00	[ICRA]B+ (Stable)/ [ICRA]A4

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis: Not Applicable

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