

October 29, 2024

Sunstar Overseas Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	568.45	568.45	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	211.44	211.44	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	45.11	45.11	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	825.00	825.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term ratings of Sunstar Overseas Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Sunstar Overseas Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, key financial indicators: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on Default Recognition Rice Mills
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Sunstar Overseas Limited was initially started as a partnership firm in 1989, by the founder promoters Mr. Man Mohan Sarup Aggarwal, Navita Aggarwal, Rama Rani and Sadhna Aggarwal. It was converted into Public limited company in theyear 1995 with initial promoters and three new promoter being Mr. Naresh Aggarwal, Mr. Rakesh Aggarwal and Mr.Kapil Aggarwal.

Sunstar Overseas Limited is an integrated rice milling company. The company is primarily into the milling of basmati rice, with non basmati rice forming a very negligible portion. The company is not engaged in further processing of the by products like husk and the bran. They are all sold in the market except for husk of which 35-40% is used for steaming process (par boiling activity and to reduce moisture content in paddy). SOL was operating three plants (Bahalgarh, Moradabad and Amritsar) with total milling capacity of 73 TPH. The Moradabad plant has been shifted to company's factory in Bahalgarh as the lease has expired, however the total capacity remains same.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2025)			Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in
				29-Oct-2024	16-Aug-2023	22-Jul-2022	26-May-2021
1	Cash Credit	Long Term	568.45	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2	Term Loan	Long Term	211.44	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3	Unallocated	Long Term	45.11	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	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, is available on ICRA's website: [Click Here](#)

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	Cash Credit	-	-	-	568.45	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	211.44	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	45.11	[ICRA]D; ISSUER NOT COOPERATING

Source: Sunstar Overseas Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545328
shamsherd@icraindia.com

Subhechha Banerjee
+91 33 7150 1130
subhechha.banerjee@icraindia.com

Susmita Biswas
+91-033 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
022-61693300
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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