

CARE/HO/RL/2017-18/1478
Mr. Gurinder Singh Sehmbey
Chief Executive Officer,
Staragri Finance Limited
Unit No. 111 & 112, Tower I,
Corporate Solitaire Park,
Chakala, Andheri (E),
Mumbai- 400093

May 18, 2017

Confidential

Dear Sir,


Credit rating for bank facilities

On the basis of recent developments including operational and financial performance of Star Agriwarehousing & Collateral Management Ltd. (SACML) for FY16 and H1FY17 our Rating Committee has reviewed the following ratings:

The following ratings have been assigned by our Rating Committee:

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities*	236.5	CARE BBB+ (SO); Stable [Triple 'B' Plus (Structured Obligation); Outlook:Stable]	Revised from CARE A (SO) (Single 'A' (SO)
Long-term Bank Facilities (Proposed)*	13.5	Provisional CARE BBB+ (SO); Stable [Provisional Triple 'B' Plus (Structured Obligation); Outlook:Stable]	Revised from Provisional CARE A (SO) (Provisional Single 'A' (SO)
Short-term Bank Facilities (Proposed)*	50	Provisional CARE A2 (SO) [Provisional A two (Structured Obligation)]	Revised Provisional from CARE A1 (SO) ('A' One (SO))
Total facilities	300 (Rupees Three Hundred crore only)		

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

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1. Refer **Annexure 1** for details of rated facilities.
 2. The above rating(s) is based on the credit enhancement in the form of corporate guarantee given by Star Agriwarehousing and Collateral Management Limited.
 3. Further, the above provisional rating(s) will be confirmed after the execution of the corporate guarantee deed.
 4. CARE shall issue the final rating letter, brief rationale and rating rationale at the time of confirmation of the rating.
 5. The rationale for this rating will be communicated to you separately.
 6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
 7. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
 8. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
 9. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

10. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,


Yours faithfully,



[Viraj Dhond]

Analyst

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[Anuj Jain]

D.G.M

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Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure 1
Details of Rated Facilities

Name of Bank	Facility	Amount
Aditya Birla Finance	TL	22.50
BOM	TL	25.00
Corporation Bank	TL	43.75
DCB	TL	2.78
IFMR	TL	24.07
Indian Bank	TL	25.00
Karur Vysya Bank	TL	10.00
NABKISAN 1	TL	8.40
NABKISAN 2	TL	10.00
State Bank of Mauritius	TL	5.00
Total (a)	TL	176.50
SBI	CC	50.00
Yes Bank	WCDL/CC	10.00
Total (b)	CC/WCDL	60.00
Grand Total (a+b)		236.50
Proposed long term facilities		13.50
Total Long Term Rated Facilities		250.00
Total Short Term Rated Facilities (Proposed)		50
Total Rated Facilities		300