



Date: 03-04-2024

To,
The Listing Department,
National Stock Exchange of India
Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla complex, Bandra-East
Mumbai-400051
Stock code: STARCEMENT

To,
The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001
Stock code: 540575

Dear Sir(s),

Sub: Intimation of withdrawal of ICRA's Ratings at Company's request

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, we would like to inform you that at a Company's request ICRA had withdrawn its ratings assigned to the long-term-fund-based limits and short term- non fund based facilities of the Company on 3rd April, 2024. The CRISIL rating for the long term and short term facilities is in force and the same was intimated to the Stock Exchanges vide its letter dated 29th December, 2023 and 4th March, 2024.

The rating withdrawal document issued by ICRA is enclosed.

This is for your information and record.

**Thanking you,
For Star Cement Limited**

**Debabrata Thakurta
(Company Secretary)**

Encl:a/a

STAR CEMENT LIMITED

Century House, P-15/1 CPT Colony, Taratala Road, Kolkata -700088. Email: kolkata@starcement.co.in

Registered Office & Works: Village & PO – Lumshnong, P.S. Khliehriat, District – East Jaintia Hills, Meghalaya – 793210. Phone: 03655-278215/16/18. Fax Number: 03655-278217.

Email: lumshnong@starcement.co.in. Website: www.starcement.co.in

ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 CERTIFIED COMPANY.

CIN : L26942ML2001PLC006663

April 03, 2024

Star Cement Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based limits	131.0	131.0	[ICRA]AA- (Positive); withdrawn
Short-term – Non-fund based facilities	143.0	143.0	[ICRA]A1+; withdrawn
Total	274.00	274.00	

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Star Cement Limited (SCL) at the request of the company and based on the No Objection Certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal of credit ratings. 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 and rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click Here.](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology - Cement Policy on withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of SCL.

About the company

Star Cement Limited (SCL, erstwhile Cement Manufacturing Company Limited) began operations in 2005. It manufactures clinker and cement. Apart from a 0.8-MMTPA clinker manufacturing unit and 5.00-MMTPA cement grinding unit of SCL, at the consolidated level, the Group has additional facilities of a 0.7-MMTPA cement grinding unit (under Megha Technical and Engineers Private Limited-MTEPL), a 2.0-MMTPA clinker manufacturing unit (under Star Cement Meghalaya Limited- SCML) and a 51-MW captive coal-based power plant (under Meghalaya Power Limited-MPL). The Star Group has a consolidated cement production capacity of 5.7 MTPA, of which 65% is in the NE region and the remaining in eastern India. SCL holds 100% equity share in MTEPL and MPL, and 87.49% in SCML (with the balance being held by MTEPL).

Key financial indicators (audited)

SCL Consolidated	FY2022	FY2023	9M FY2024*
Operating income	2221.8	2704.8	1997.1
PAT	246.8	247.6	207.4
OPBDIT/OI	15.4%	16.9%	18.9%
PAT/OI	11.1%	9.2%	10.4%
Total outside liabilities/Tangible net worth (times)	0.1	0.2	NA
Total debt/OPBDIT (times)	0.1	0.1	NA
Interest coverage (times)	25.7	47.0	44.6

Source: Company, ICRA Research; * Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; NA: Not available

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 Dec 31, 2023 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023	Date & rating in FY2022	
				Apr 03, 2024	-	Mar 15, 2023	Dec 10, 2021	
1	Cash credit/ Working capital demand loan	Long term	131.0	--	[ICRA]AA- (Positive); withdrawn	-	[ICRA]AA- (Positive)	[ICRA]AA- (Stable)
2	Letter of credit/ Bank guarantee	Short term	143.0	--	[ICRA]A1+; withdrawn	-	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based limits	Simple
Short-term – Non-fund based facilities	Very 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 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/ Working capital demand loan	NA	NA	NA	131.0	[ICRA]AA- (Positive); withdrawn
NA	Letter of credit/ Bank guarantee	NA	NA	NA	143.0	[ICRA]A1+; withdrawn

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Star Cement Meghalaya Limited	87.49%	Full Consolidation
Megha Technical and Engineers Private Limited	100.00%	Full Consolidation
Meghalaya Power Limited	100.00%	Full Consolidation
NE Hills Hydro Limited	100.00%	Full Consolidation
Star Century Global Cement Private Limited	100.00%	Full Consolidation
Star Cement (I) Ltd	60.00%	Full Consolidation
Star Cement North East Limited	60.00%	Full Consolidation

Source: SCL

ANALYST CONTACTS

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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.

For more information, visit www.icra.in

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Branches



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