

Press Release

Globe Precision Industries Private Limited

July 27, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|---|---|
| Bank Loan Ratings | 1.00 | - | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 28.00 | ACUITE B+ Reaffirmed Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 29.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs.29.00 crore bank facilities of Globe Precision Industries Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

GPIPL was incorporated in 1986 in Himachal Pradesh by Mr. Vinod Aggarwal and Mrs. Urmil Aggarwal. It is engaged in the business of manufacturing of Axles, Gears and Shafts for Tractors and other automotive applications.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

Not Applicable.

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

Not Applicable.

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|--|
| 28 Apr 2021 | Term Loan | Long Term | 9.57 | ACUITE B+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 4.43 | ACUITE B+ (Issuer not co-operating*) |
| | Letter of Credit | Short Term | 1.00 | ACUITE A4 (Issuer not co-operating*) |
| | Cash Credit | Long Term | 14.00 | ACUITE B+ (Issuer not co-operating*) |
| 06 Feb 2020 | Letter of Credit | Short Term | 1.00 | ACUITE A4 (Issuer not co-operating*) |
| | Term Loan | Long Term | 9.57 | ACUITE B+ (Issuer not co-operating*) |
| | Term Loan | Long Term | 4.43 | ACUITE B+ (Issuer not co-operating*) |
| | Cash Credit | Long Term | 14.00 | ACUITE B+ (Issuer not co-operating*) |
| 27 Nov 2018 | Cash Credit | Long Term | 14.00 | ACUITE BB- Stable (Upgraded from ACUITE B+ Stable) |
| | Term Loan | Long Term | 9.57 | ACUITE BB- Stable (Upgraded from ACUITE B+ Stable) |
| | Term Loan | Long Term | 4.43 | ACUITE BB- Stable (Upgraded from ACUITE B+ Stable) |
| | Letter of Credit | Short Term | 1.00 | ACUITE A4+ (Upgraded from ACUITE A4) |

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|-------------|------------------|------------|-------|---------------------------------|
| 20 Sep 2018 | Cash Credit | Long Term | 14.00 | ACUITE B+ Stable (Reaffirmed) |
| | Term Loan | Long Term | 9.57 | ACUITE B+ Stable (Assigned) |
| | Term Loan | Long Term | 4.43 | ACUITE B+ Stable (Reaffirmed) |
| | Letter of Credit | Short Term | 1.00 | ACUITE A4 (Reaffirmed) |
| 23 Oct 2017 | Cash Credit | Long Term | 12.00 | ACUITE B+ Stable (Reaffirmed) |
| | Term Loan | Long Term | 2.00 | ACUITE B+ Stable (Reaffirmed) |
| | Letter of Credit | Short Term | 7.00 | ACUITE A4 (Reaffirmed) |
| 05 May 2016 | Cash Credit | Long Term | 12.00 | ACUITE B+ Stable (Reaffirmed) |
| | Term Loan | Long Term | 2.00 | ACUITE B+ Stable (Reaffirmed) |
| | Letter of Credit | Short Term | 7.00 | ACUITE A4 (Reaffirmed) |
| 20 Feb 2015 | Cash Credit | Long Term | 12.00 | ACUITE B+ Stable (Assigned) |
| | Term Loan | Long Term | 2.00 | ACUITE B+ Stable (Assigned) |
| | Letter of Credit | Short Term | 7.00 | ACUITE A4 (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|--|----------------|------------------|------------------|----------------|----------------|-------------------|--|
| State Bank of India | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 14.00 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| State Bank of India | Not Applicable | Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Small Industries Development Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 9.57 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| State Bank of India | Not Applicable | Term Loan | Not available | Not available | Not available | 4.43 | ACUITE B+ Reaffirmed Issuer not co-operating* |

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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