

Press Release

Globe Panel Industries India Private Limited

June 10, 2020

Rating Update

Total Bank Facilities Rated*	Rs. 86.80 Cr. #
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB-/ Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)



Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-/Stable**' and short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from **ACUITE A3** on the Rs.86.80 crore bank facilities of Globe Panel Industries India Private Limited (GPPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

GPPL was incorporated in April 2010 by Mr. Sarwan Aggarwal along with his family members. The company is involved in the manufacturing of plywood, laminates, Flush Door, Formaldehyde and other allied products. The company has six manufacturing units, all of which are located in Yamuna Nagar (Haryana). It markets the products under 'G L Plywood' brand.

Non-cooperation by the issuer/borrower

Acuité 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 due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality

Applicable Criteria

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

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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité 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

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument/ Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
03-Apr-2019	Cash Credit	Long Term	50.00	ACUITE BBB- / Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE BBB- / Stable (Assigned)
	Overdraft	Long Term	5.00	ACUITE BBB- / Stable (Reaffirmed)
	Term loan	Short Term	1.28	ACUITE BBB- / Stable (Reaffirmed)
	FLC/ILC	Short Term	2.00	ACUITE A3 (Reaffirmed)
	Proposed	Long Term	1.28	ACUITE BBB- / Stable (Reaffirmed)
10-Jan-2018	Cash Credit	Long Term	40.00	ACUITE BBB- / Stable (Upgraded)
	Overdraft	Long Term	4.50	ACUITE BBB- / Stable (Upgraded)
	Term loan	Long Term	1.28	ACUITE BBB- / Stable (Upgraded)
	FLC/ILC	Short Term	2.00	ACUITE A3 (Assigned)
	Proposed	Long Term	34.02	ACUITE BBB- / Stable (Assigned)
09-May-2017	Cash Credit	Long Term	24.00	ACUITE BB+ / Stable (Assigned)
	Overdraft	Long Term	5.00	ACUITE BB+ / Stable (Assigned)
	Term loan	Long Term	1.80	ACUITE BB+ / Stable (Assigned)

#Annexure – Details of instruments rated

*The issuer did not co-operate; Based on best available information.

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE BB+ (Downgraded from ACUITE BBB- / Stable) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB+ (Downgraded from ACUITE BBB- / Stable) Issuer not co-operating*
Overdraft	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ (Downgraded from ACUITE BBB- / Stable) Issuer not co-operating*
Term loan	Not Available	Not Applicable	Not Available	1.28	ACUITE BB+ (Downgraded from ACUITE BBB- / Stable) Issuer not co-operating*
FLC/ILC	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer not co-operating* (Downgraded from ACUITE A3)
Proposed	Not Applicable	Not Applicable	Not Applicable	3.52	ACUITE BB+ (Downgraded from ACUITE BBB- / Stable) Issuer not co-operating*

Contacts

Analytical	Rating Desk
<p>Aditya Gupta Vice President - Corporate and Infrastructure Sector Tel: 022-4929 4041 aditya.gupta@acuite.in</p> <p>Bhavani Sankar Oruganti Senior Analyst - Rating Operations Tel: 040-4004 2327 bhavanisankar.oruganti@acuite.in</p>	<p>Varsha Bist Manager - Rating Desk Tel: 022-4929 4011 rating.desk@acuite.in</p>

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.