



## Press Release

### Globus Industries and Services Limited

**September 3, 2024**

#### Ratings

Facilities	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	23.56	IVR D; ISSUER NOT COOPERATING* (IVR Single D; ISSUER NOT COOPERATING)	IVR D; ISSUER NOT COOPERATING* (IVR Single D; ISSUER NOT COOPERATING)	Reaffirmed and Continued under ISSUER NOT COOPERATING Category	Simple
Short Term Bank Facilities	18.00	IVR D; ISSUER NOT COOPERATING* (IVR Single D; ISSUER NOT COOPERATING)	IVR D; ISSUER NOT COOPERATING* (IVR Single D; ISSUER NOT COOPERATING)	Reaffirmed and Continued under ISSUER NOT COOPERATING	Simple
<b>Total</b>	<b>41.56</b>	<b>Rupees Forty One Crore and Fifty Six Lakhs Only</b>			

*\*ISSUER NOT COOPERATING; Based on best available information*

**Details of Facilities/Instrument are in Annexure 1**

**Facility wise lender details are at Annexure 2**

**Detailed explanation of covenants is at Annexure 3**

#### Detailed Rationale

Infomerics ratings has reaffirmed the rating at IVR D and has continued under 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation for the bank loan facilities of Globus Industries and Services Limited (GISL).

The lenders had confirmed that the account has been classified as NPA account. On account of inadequate information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

#### Non-cooperation by Issuer

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating and long term/short-term rating for the bank loan facilities aggregating to Rs.41.56 Crore of GISL have been reaffirmed and continued under 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term/short term be noted as IVR D; ISSUER NOT CO-OPERATING and long



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term/short term as IVR D; ISSUER NOT COOPERATING; based on best available information.

**Analytical Approach:** For arriving at the ratings, IVR has analysed GISL's credit profile by considering the standalone financial statements of the company.

**Applicable Criteria:**

[Rating Methodology for Trading Companies](#)  
[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)  
[Guidelines on what constitutes Non-Cooperation by clients](#)  
[Criteria for Assigning Rating Outlook](#)  
[Complexity level of the rated instrument/ facilities](#)  
[Policy of Default recognition](#)

**About the Company**

Incorporated in 1993, Globus Industries and Services Limited is engaged in the manufacturing and trading of edible oils. The manufacturing operations include Vanaspati Oil, Refined oils and Mustard oils. The manufacturing plant is located in Village Khippanwali, Teh. Fazilka, Distt. Ferozepur, Punjab. Manufacturing operations primarily include sales of Vanaspati Oil, Refined oils and Mustard oils. The company aligns its procurement with sales orders and executes manufacturing operations on a back to back basis.

**Financials (Standalone):**

	(Rs. crore)	
For the year ended*/As on	31-03-2021	31-03-2022
	Audited	Provisional
Total Operating Income	203.90	201.23
EBIDTA	12.94	5.93
PAT	7.60	-0.09
Total Debt	22.93	46.15
Tangible Net worth	5.84	7.02
EBIDTA Margin (%)	6.35	2.95
PAT Margin (%)	3.72	-0.04
Overall Gearing Ratio (x)	3.93	6.58
Interest Coverage Ratio (x)	3.29	1.93

*\*Classification as per Infomerics' standards*

**Status of non-cooperation with previous CRA:** None

**Any other information:** Nil

**Rating History for last three years:**



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Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (July 26, 2023)	Date(s) & Rating(s) assigned in 2022-23 (July 06, 2022)	Date(s) & Rating(s) assigned in 2021-22 (March 08, 2022)
1.	Fund Based	Long Term	23.56	IVR D/INC	IVR D/INC	IVR D	IVR B-/INC
2.	Non-Fund Based	Short Term	18.00	IVR D/INC	IVR D/INC	IVR D	IVR A4/INC

### Name and Contact Details of the Rating Analyst:

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any



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security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs 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/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
WCTL	-	-	March 2025	10.07	IVR D/INC
FITL	-	-	September 2023	0.16	IVR D/INC
GECL	-	-	May 2024	5.95	IVR D/INC
Term Loan	-	-	September 2023	0.28	IVR D/INC
CESF	-	-	-	0.25	IVR D/INC
Cash Credit	-	-	-	6.85	IVR D/INC
ILC/FLC	-	-	-	18.00	IVR D/INC

### Annexure 2: Facility wise lender details.

<https://www.infomerics.com/admin/prfiles/len-Globus-Industries-sep24.pdf>

**Annexure 3: Detailed explanation of covenants of the rated securities/facilities :**  
Not Applicable.

**Annexure 4: List of companies considered for consolidated/combined analysis:** Not Applicable.

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at <http://www.infomerics.com>.