

Globus Steel & Power Private Limited

February 06, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	124.00	CARE BB-; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+; (Double B Plus)

Details of facilities in Annexure-1

**Issuer did not cooperate; Based on best available information*

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated November 29, 2021, placed the rating(s) of Globus Steel & Power Private Limited (GSPPL) under the 'issuer non-cooperating' category as GSPPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. GSPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated October 15, 2022, October 25, 2022, February 01, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings have been revised on account of non-availability of requisite information. The rating revision also considers the small scale of operations as well as continuing losses coupled with high overall debt in FY21.

Detailed description of the key rating drivers

Please refer to PR dated [November 29, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

About the Company

GSPPL, a part of the Focal Energy group and a double step-down subsidiary of Focal Energy Holdings BV (FEHL), has developed a solar photo-voltaic plant of 20 MW AC capacity in Mandsaur district, Madhya Pradesh under the MP state policy in collaboration with BPIPL, Indian subsidiary of Germany-based Belectric GmbH, with BPIPL holding 17.50% stake in the company. The remaining 82.50% shareholding is held by Focal Energy Solar Three Limited (FESTL). The project was synchronized to the grid on January 29, 2016. The company has entered into a long-term PPA with MPPMCL for a duration of 25 years for the entire capacity at a tariff of Rs.6.969/ unit.

Brief Financials (Rs. crore)	March 31, 2021 (A)	March 31, 2022 (A)	9M2023 (Prov.)
Total operating income	25.63	NA	NA
PBILDT	22.73	NA	NA
PAT	-2.24	NA	NA
Overall gearing (times)	5.04	NA	NA

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	March 31, 2021 (A)	March 31, 2022 (A)	9M2023 (Prov.)
Total operating income	25.63	NA	NA
Interest coverage (times)	1.42	NA	NA

A: Audited, Prov. – Provisional, NA – Not available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this Company: Please refer Annexure 4

Lender details: Annexure 5

Annexure-1: Details of Instruments/ Facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	June 2033	124.00	CARE BB-; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	124.00	CARE BB-; ISSUER NOT COOPERATING*	-	1)CARE BB+; ISSUER NOT COOPERATING* (29-Nov-21)	1)CARE BB+; ISSUER NOT COOPERATING* (20-Nov-20)	1)CARE BB+; ISSUER NOT COOPERATING* (30-Oct-19)

*Issuer did not cooperate; based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities - Not Applicable

Annexure 4: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure 5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages our domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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