

Rating Rationale

29 June 2026

Globe Capacitors Pvt. Ltd. (erstwhile Globe Capacitors Ltd)

Brickwork Ratings assigns the long-term rating of “BWR BBB/Stable”, for the bank loan facilities of Rs. 0.32 Cr., upgrades the long-term rating to “BWR BBB/Stable” from “BWR BB/Stable” removes the ratings from ISSUER NOT COOPERATING* category for the bank loan facilities of Rs. 6.50 Cr. and simultaneously withdraws the ratings for the bank loan facilities of Rs. 17.38 Cr. BWR withdraws the rating for the bank loan facility of Rs. 12.08 Cr. of Globe Capacitors Pvt. Ltd. (erstwhile Globe Capacitors Ltd).

Particulars:

Instruments / Facilities**	Amount Rs Cr.		Tenure	Rating	
	Previous	Present		Previous (19-Sep-2025)	Present
Fund Based	6.50	0.88	Long-term	BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	BWR BBB/Stable removal from ISSUER NOT COOPERATING* category/Upgraded and withdrawn
	16.50	16.50			
	23.50	6.50		BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	BWR BBB/Stable removal from ISSUER NOT COOPERATING* category/Upgraded
	0.00	(6.50)		-	BWR BBB/Stable Assignment
	3.58	0.00		BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	Withdrawn
	-	0.22		-	BWR BBB/Stable Assignment
	-	0.10		-	BWR BBB/Stable Assignment
	Non Fund Based	3.50		0.00	Short-term
5.00		0.00			
Total	58.58	24.20	(Rupees Twenty Four Crores and Twenty Lakhs Only)		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** Details of Bank Loan facilities are provided in Annexure-I

RATING ACTION / WITHDRAWAL

The company was previously rated by BWR for the Bank loan outstanding facilities of Rs. 58.58 Cr. on 19 Sep 2025 by reaffirming the long-term and short-term ratings at “BWR BB/Stable/BWR A4”, with continuation under ISSUER NOT COOPERATING* category. The company has requested for withdrawal of ratings of the credit facilities availed from ICICI Bank and submitted a No Objection Certificate from ICICI Bank in this regard. Hence, long-term ratings for ICICI Bank facilities amounting to Rs. 17.38 Cr. upgraded to “BWR BBB/Stable” from “BWR BB/Stable”, removed the ratings from ISSUER NOT COOPERATING* category and simultaneously withdrawn. Facilities amounting to Rs. 12.50 Cr. rated earlier have been closed by the company and the same was confirmed by their bankers via emails, which are held on record. Hence, in accordance with extant regulatory guidelines and as per BWR Rating Withdrawal Policy, the rating of the said instruments has been withdrawn with immediate effect.

RATING ACTION / OUTLOOK

Brickwork Ratings has assigned the long-term ratings of “BWR BBB/Stable” for the bank loan facilities of Rs. 0.32 Cr. and upgraded the long-term rating to “BWR BBB/Stable” from “BWR BB/Stable”, removed the ratings from ISSUER NOT COOPERATING* category for the bank loan facilities of Rs. 6.50 Cr.

The Rating has factored, inter alia, Extensive experience of promoters with Long-Stance Market Presence of the company, Reputed Clientele and Plans for Industrial Diversification, Moderate revenue, although growth in scale of operations and Satisfactory gearing/leverage Profile. The rating is constrained by Vulnerability of Operating Margin and Debt protection metrics to fluctuation in raw material prices, Moderate Cash Conversion Cycle and Exposure to Forex Risk.

Going forward, the ability of the company to improve its scale of operations, maintain efficient working capital management, improving liquidity profile and satisfactory gearing levels will remain the key rating sensitivities.

The rating outlook has been assigned as "Stable" as BWR believes that Globe Capacitors Pvt. Ltd. (erstwhile Globe Capacitors Ltd)., business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenue and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile goes down.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities.

State Bank of India have stipulated certain covenants as listed below:

- DSCR Minimum of 1.50x and ISCR minimum of 2.00x.
- Current ratio minimum of 1.33x.
- TOL/TNW not to exceed 3.00x.
- FACR of minimum 1.25x.

ICICI Bank has stipulated the covenant of DSCR not less than 1.10x and DSCR not less than 1.25X.

KEY RATING DRIVERS

Credit Strengths:-

- **Extensive experience of promoters with Long-Stance Market Presence of the company:**

The company is managed by an experienced and qualified management team, who has decades of experience in the capacitor manufacturing business. Extensive experience, coupled with a professional management setup and long-standing market presence of over 4 decades enhances the competitive position of the company in the industry, which has also helped the company in improving its operating scale overtime, building strong supplier/customer base.

- **Reputed Clientele and Plans for Industrial Diversification:** The company holds the leading market position in India for manufacturing Metallized Polypropylene Film Capacitors and exports to prominent international players, including Controladora Mabe S.A. de C.V., Haier US Appliance Solutions Inc., and Rheem Sales Company Inc. Its reputable domestic clientele includes market leaders such as Dixon Technologies India Limited (ICRA AA (Stable)/ ICRA A1+), Havells India Limited (CARE AAA/Stable/CARE A1+), Whirlpool of India Limited (CRISIL AA+/Stable/CRISIL A1+), and Haier Appliance India Limited. Additionally, the company benefits significantly from a long-standing market presence of over four decades, during which it has sustained strong relationships with suppliers and customers, some of whom have been with the company since its inception. Since September 2024, the company has expanded into manufacturing capacitors for electrical panels, referred to as power capacitors (KVAR). These capacitors are larger in size and command higher prices compared to standard electronic capacitors. The following Power Electronics capacitors are also in the pipeline, under development:

- DC Link and Snubber capacitors
- X1/X2 capacitors
- AC Filter capacitors

Specifically targeting the railways, metro, power & energy sector and plans to bid on a related tender in the coming months. It is also planning to enter the EV segment in collaboration with PolyCharge Technology (USA). Additionally, the company is currently developing supercapacitors for high-voltage applications.

- **Moderate revenue, although growth in scale of operations:** The revenue from operations has marked an increase in FY2025 to Rs. 290.96 Cr. from Rs. 223.1 Cr. in FY2024 and further increased to Rs. 305.54 Cr. in FY2026 (P) reporting a CAGR of 11.05% over the last 3 years. It is further projected to improve in the coming years with simultaneous enhancement in the production capacity. The company also aims to diversify its portfolio with the addition of above-mentioned Capacitors.

- **Satisfactory gearing/leverage Profile:** The company has demonstrated a year-on-year (Y-o-Y) improvement in its net worth, which stood at Rs. 105.62 Cr. at the end of FY2026 (P). Gearing levels remained low, as reflected by a Total Debt/TNW of 0.91x, and TOL/TNW of 1.60x in FY2025 and 1.66x in FY2026 (P), indicating a healthy leverage profile and adequate financial flexibility. The financial risk profile was temporarily impacted by the company's ongoing CAPEX plans in FY2025 and FY2026 (P), but is expected to improve in FY2027. Furthermore, the Company is benefiting from the Production Linked Incentive (PLI) Scheme, under which the current CAPEX project is being implemented. This has helped reduce the overall capital cost of the project while also providing additional financial support in the form of grants and subsidies. In addition, the Company has applied under the Electronics Component Manufacturing Scheme (ECMS) for a period of five years commencing from FY 2026-27, which is expected to provide further incentives and support for its future growth and expansion plans.

Credit Risks:-

- **Vulnerability of Operating Profit Margin and Debt protection metrics to fluctuation in raw material prices:** Due to current geopolitical tensions, the cost of some major raw materials increased by above 25%, creating an impact on the operating profit margin of FY2026 (P) (declined from 8.48% in FY2025 to 5.23% in FY2026 (P)). This has also led to a decline in the debt protection metrics (ISCR shrunk from 4.55x in FY2025 to 2.67x in FY2026 (P) and DSCR reduced from 2.26x in FY2025 to 1.76x in FY2026 (P)). However, this was for a short time, and later the excess cost was passed on to the customers. Future movement in these parameters remains a key monitorable.
- **Moderate Cash Conversion Cycle:** The operating cycle of the company stood at 69 days in FY2026 (P), due to seizable inventory management, higher receivable days compared to payable days and cyclical business operations. The gap is adequately managed through working capital limits and internal accruals. However, any further increase from FY2026 (P) levels by making the company more dependent on external debt remains key monitorable.
- **Exposure to Forex Risk:** GCPL's profit margins are vulnerable to fluctuations in forex rates. However, the majority of export transactions are hedged using derivative limits with banks and some are naturally hedged.

ANALYTICAL APPROACH - Standalone

For arriving at these ratings, BWR has considered the standalone performance of Globe Capacitors Pvt. Ltd. (erstwhile Globe Capacitors Ltd). BWR has applied its rating methodology.

RATING SENSITIVITIES

The company's ability to improve its scale of operations, liquidity profile, maintain efficient working capital management, and satisfactory gearing levels will remain the key rating sensitivities.

Upward:

- Company achieving revenue of more than Rs. 375.00 Cr., while maintaining operating profit margin and net profit margin at projected levels.
- Total Debt/TNW below 1.10x or TOL/TNW below 1.50x.
- Current ratio above 1.30x.
- DSCR and ISCR to remain at projected levels.

Downward:

- Revenue from operations and profitability going below 10% as reported in the actuals of previous years financials.
- DSCR below 1.10x and ISCR below 2.00x.
- Current ratio diminishing to less than 1.15x

LIQUIDITY INDICATORS - Adequate

The company has adequately covered its interest and CPLTD obligations with sufficient EBITDA and Internal Cash Accruals in the recent years. It has also maintained a comfortable level of debt protection metrics, with an ISCR of 2.67 times and a DSCR of 1.76 times in FY2026 (P). The current ratio stood at 1.15 times in FY2026 (P) and the company has marked a conversion cycle of 69 days in the same year. As per the projected financials, the company is expected to report an EBITDA of Rs. 33.61 Cr. in FY2027 and Rs. 36.04 Cr. in FY2028 against the interest expenses of Rs. 8.84 Cr. in FY2027 and Rs. 8.28 Cr. in FY2028. Net cash accruals are expected to be of Rs. 18.83 Cr. in FY2027 and Rs. 21.23 Cr. in FY2028 which would be sufficient enough to cover the CPLTD obligations of Rs. 12.07 Cr. in FY2027 and Rs. 12.02 Cr. in FY2028. GCPL does not have any capital market exposure and relies on banks to meet its funding requirements. The average utilization of working capital limits remains below 85% and the unutilized portion of working capital limit will serve as an additional buffer and help to

cover up short-term cash flow mismatches. Considering all these factors, the company's liquidity position is assessed as "**Adequate**".

ABOUT THE ENTITY:

Globe Capacitors Pvt. Ltd. (GCPL) was incorporated on 14-Sept-1982 for manufacturing of Metallized Polypropylene Film Capacitors for AC and DC Application. GCPL manufactures metallized polypropylene capacitors which are customized for individual customer needs. The company currently caters to all the major electronics OEMs and has 3 manufacturing units based out in Faridabad, Haryana. The company is currently managed by Mr. Sanjay Agarwal, Managing Director and his son Mr. Ankit Agarwal, Director.

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Capital Goods	Industrial Products	Aluminium, Copper & Zinc Products

ESG Profile: The company demonstrates an “Adequate” ESG profile based on its environmental, social, and governance practices.

Environmental: Globe Capacitors Pvt. Ltd. powers its Faridabad manufacturing units through a diversified energy mix consisting of a state board connection, backup diesel & LPG generators, and partial reliance on a solar power setup. This strategic integration of renewable energy highlights the company's commitment to lowering its carbon footprint. Furthermore, the company’s core capacitor manufacturing processes require zero water consumption, ensuring that its direct production activities cause no depletion to local water resources. To guarantee product safety and eco-friendly operations, all manufactured items are completely PCB-free and fully compliant with RoHS and REACH standards.

Social: The company serves as a vital pillar for regional employment by providing stable livelihoods to a robust workforce of approximately 1,400 employees within its facilities. To ensure the well-being of its staff, Globe Capacitors maintains rigorous occupational health and safety standards, which are validated by an ISO 45001 certification across its manufacturing plants. Product safety and reliability for end-consumers are heavily prioritized through prestigious international approvals, including UL, BIS, CE, and TUV certifications. The Company in-house R&D unit is recognised by Dept. of Scientific & Industrial Research, Govt. of India & approved by TUV Rheinland. Additionally, the management actively fosters human capital through continuous skill development programs, inclusive workplace policies, and fair labor practices across all production lines.

Governance: According to the FY2025 independent auditor's report, Globe Capacitors demonstrates excellent regulatory compliance with absolutely no pending litigations against the organization. The statutory audit confirmed zero internal control weaknesses, affirming that the company maintains an adequate and highly effective internal financial control system over its financial reporting. Financial discipline remains exemplary. Corporate oversight is further strengthened by maintaining ISO 9001 certified factories alongside advanced, TUV Rheinland-recognized in-house testing laboratories. Through these rigid internal frameworks, the company continues to uphold transparency, high quality governance, and unwavering stakeholder trust.

KEY FINANCIAL INDICATORS

Key Parameters	Units	FY 23 - 24 (Audited - Annual)	FY 24 - 25 (Audited - Annual)	FY 25 - 26 (Provisional - Annual)
Operating Revenue	Rs.Crs.	223.10	290.96	305.54
EBITDA	Rs.Crs.	19.51	24.67	15.98
PAT	Rs.Crs.	10.19	14.48	11.18
Tangible Net Worth	Rs.Crs.	79.89	94.40	105.62
Total Debt / Tangible Net Worth	Times	0.86	0.90	0.91
Current Ratio	Times	1.22	1.26	1.15

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY:

Not Applicable

ANY OTHER INFORMATION:

NONE

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities	Current Rating (2026)			2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	6.50	BWR BBB/Stable removal from ISSUER NOT COOPERATING* category/Upgraded	19Sep2025	BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	15Oct2024	BWR BBStable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09Oct2023	BWR BB+/Stable (ISSUER NOT COOPERATING* /Downgrade)
Fund Based	LT	0.00	Withdrawn						
Fund Based	LT	(6.50)	BWR BBB/Stable Assignment	-	-	-	-	-	-
Fund Based	LT	17.38	BWR BBB/Stable removal from ISSUER NOT COOPERATING* category/Upgraded and withdrawn	19Sep2025	BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	15Oct2024	BWR BBStable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09Oct2023	BWR BB+/Stable (ISSUER NOT COOPERATING* /Downgrade)

Fund Based	LT	0.32	BWR BBB/Stable Assignment	-	-	-	-	-	-
Non Fund Based	ST	0.00	Withdrawn	19Sep2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed)	15Oct2024	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	09Oct2023	BWR A4+ (ISSUER NOT COOPERATING*/Downgrade)

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to financial ratios](#)
- [BWR Withdrawal Policy](#)
- [Manufacturing Company](#)
- [Short Term Debt](#)
- [Policy On Issuer Non -Cooperation](#)

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Globe Capacitors Pvt. Ltd. (erstwhile Globe Capacitors Ltd)

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

Sl. No.	Name of the Bank/Lender	Type of Facilities	Long Term (Rs.Crs)	Short Term (Rs.Crs)	Total (Rs.Crs)	Complexity of the instrument*
1	ICICI Bank	Term Loan - outstanding	0.88	-	0.88	Simple##
2	ICICI Bank	Cash Credit - Sanctioned	16.50	-	16.50	Simple##
3	State Bank of India	Cash Credit - Sanctioned	6.50	-	6.50	Simple##
4	State Bank of India	EPC/PCFC/FBD/EBR (Sub limit of CC)	(6.50)	-	(6.50)	Simple##
5	State Bank of India	GECL-Out-standing	0.00	-	0.00	Simple##
6	State Bank of India	GECL Extension - outstanding	0.22	-	0.22	Simple##
7	State Bank of India	CEL	0.10	-	0.10	Simple##
8	ICICI Bank	Letter of Credit-Sanctioned	-	0.00	0.00	Simple##
9	State Bank of India	Letter of Credit-Sanctioned	-	0.00	0.00	Simple##
TOTAL			24.20	0.00	24.20	
Rupees Twenty Four Crores and Twenty Lakhs Only						

*For more information visit: www.brickworkratings.com/download/ComplexityLevels.pdf

ANNEXURE II

INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

NIL

ANNEXURE III

List of entities consolidated

NIL

List of Instruments and Regulators

Instrument / Activity	Regulator
Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) ¹	SEBI
Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) ¹	SEBI
Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) ¹	RBI
Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs ²	RBI
External Commercial Borrowings and other similar borrowings	RBI
Certificates of Deposit	RBI
Fixed Deposits raised by NBFC's, Banks, HFCs, Fis	RBI
Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
Inter Corporate Deposits/Loans extended by Corporates	MCA
Borrowing programme ³	-
Issuer Ratings ⁴	-
Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
Listed Security Receipts	SEBI
Unlisted Security Receipts	RBI
Independent Credit Evaluation (ICE)	RBI
Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	RBI
Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) ¹	Investor-side Regulator such as IRDAI, PFRDA ⁵
Monitoring Agency	SEBI
Research activities, incidental to rating, such as research for Economy, Industries and Companies ⁶	NA

1. Includes securitisation transactions involving assignee payout, acquirer's payout.
2. Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
3. The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), BWR shall separately capture the rated quantum details along with names of respective regulators.
4. There is no instrument being rated and hence, Regulator of the Instrument is not applicable.
5. These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side regulators have been included.
6. Permitted by SEBI vide SEBI Master Circular for CRAs

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For any grievances relating to rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com

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Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

Disclaimer:

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