

Rating Rationale

Globuse Realtors Private Limited

28th February 2018

Brickwork Ratings assigns ratings for the Bank Loan Facilities of Rs. 39.00 Crs of Globuse Realtors Private Limited

Particulars

Facility	Sanctioned Amount (₹ Crs)	Tenure	Rating
<u>Fund Based</u> Term Loans#	35.00	Long Term	BWR BB- (Pronounced BWR Double B Minus) Outlook: Stable Assign
Short Term Loan	4.00	Short Term	BWR A4 (Pronounced as BWR A Four)
Total	39.00 (INR Thirty Nine Crores Only)		

- Rating amount includes Proposed limit of Rs.25.00Crs (SBI In-principle Sanction Dt. 30.01.2018)

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

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has principally relied upon the audited financial results up to FY17 and projections up to FY18 of Globuse Realtors Private Limited, publicly available information and information/clarification provided by the company.

The rating reflects the promoters experience in the real estate sector and established credentials in the affordable plot sales segment. However, the rating is constrained by company's exposure to current scenario of subdued demand, exposure to regulatory risk for the real estate sector and the ongoing "Globus Nakshatra" being their first large scale housing project, the ratings also takes note of the healthy booking status for the ongoing project, benefits of which, are offset by the slowdown in demand for other real estate projects. Going forward, timely completion and



sale of flats at envisaged rates in the ongoing and effective repayment of the financial obligations without delay would be the key rating sensitivities.

Rating Outlook: Stable

BWR believes the **Globuse Realtors Private Limited** 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 revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Globuse Realtors Private Limited was incorporated on 04 December 2006 They are engaged in providing independent housing layouts, apartments and Individual Villas. They are also member of CREDAI. They have now developed residential plot and villas spread over about 1000 acres

Their current project “Globus Nakshatra” comprises of 322 flats, spread across 4 towers, having 18 floors with 2 levels of parking in coimbatore. It . Includes Facilities like lawns, swimming pool, Exclusive club house, party hall, guest rooms, Gymnasium room , health care, steam & spa services and conference hall

Key Financial Indicators

Particulars	FY15 (Actuals)	FY16 (Actuals)	FY 17 (Actuals)
Total Income (In Crs)	14.82	25.46	58.32
EBITDA (In Crs)	-1.29	1.27	9.53
PAT (In Crs)	-4.80	-3.80	4.58
Net worth (In Crs)	49.20	45.32	49.90
Total Debt / TNW (Times)	1.02	1.25	0.64
Current Ratio (Times)	7.18	4.71	6.65

Rating History for the last three years: (including withdrawn/suspended ratings)

Sl. No.	Instrument/Facility	Rating History					
		Type (Long Term/Short Term)	Amount (Rs Crs) Present	Rating	2016	2015	2014
1.	Term Loans	Long Term	35.00	BWR BB- Outlook - Stable Assign	NA		
2.	Short Term Loan	Short Term	4.00	BWR A4			
Total Amount			39.00 (Thirty Nine Crores Only)				

Status of non cooperation with Previous CRA : Non Applicable

Any other information: Non Applicable

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Short Term Debt](#)
- [Approach to Financial Ratios](#)

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.