

Gluhend India Private Limited
(A Sage Group Company)

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E-mail: info@sagemetals.co.in
CIN - U74994MH2017FTC303216



1st July 2023

The Secretary (Listing Department)
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, 25th Floor, Fort
Mumbai – 400 001

ISIN: INE744Z07027

Scrip Code: 957731

Sub: Intimation of Review of Credit Rating pursuant to Regulation 55 of the SEBI (LODR) Regulations, 2015

This is to inform that pursuant to Regulation 55 of the SEBI (LODR) Regulations, 2015, the credit rating of our Secured Non-Convertible Privately Placed Debt Securities has been reviewed by CARE Ratings Limited.

In accordance with the regulation, please find below the details of the rating assigned to the Debt Securities of the Company:

S. No.	ISIN	Name of CRA	Credit Rating Assigned	Outlook	Rating Action	Date of Credit Rating
1.	INE744Z07027	CARE Ratings Limited	CARE D	-	Revised from CARE C; Negative	30.06.2023

The press release dated 30th June 2023 issued by CARE Ratings Limited is enclosed herewith for your perusal.

You are requested to take the same on records.

For Gluhend India Private Limited

Digitally signed
by Jitasha
Grover
Date: 2023.07.01
11:39:29 +05'30'

Jitasha Grover
Company Secretary
Memb No. 37424

Cc: Vistra ITCL (India) Limited, Debenture Trustee

Gluhend India Private Limited

June 30, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Non Convertible Debentures	263.00	CARE D	Revised from CARE C; Negative

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE has revised the rating assigned to Non-convertible Debentures (NCD- ISIN INE744Z07027) of Gluhend India Private Limited (GIPL) to CARE D on account of inability of the company to repay NCD on due date.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustainable improvement in the scale of operations while maintaining PBILDT margin of above 20% on sustained basis.
- Refinancing/Redemption of NCDs' and timely interest servicing

Analytical approach: Standalone

Detailed description of the key rating drivers:

Key weaknesses

Non-redemption nor refinancing of NCD's: The rated NCD's are due for redemption on June 30, 2023. However, the Board of Directors of the Company, pursuant to its discussions with the NCDs holders, has approved the restructuring of NCDs in terms of extension of date of redemption by 14 days i.e., from 30th June 2023 to 14th July 2023. As per discussion with management, the rated NCD's were meant to be refinanced at end of the term as company's cash flow from operation were not sufficient for redemption. The company have been exploring US markets for re-financing; however, US markets are not favourable in recent times. Extension for redemption is given by the lenders to let company explore India market for refinancing.

Liquidity: Poor

The company has poor liquidity characterized by low cash accruals of Rs. 11.43 cr. and cash flow from operations of Rs. 36.10 cr. for FY22 as against upcoming NCD redemption payments of Rs. 263.00 cr along with deferred interest payments in June 2023. The company is exploring options for refinancing of NCDs' and timely refinancing of the NCDs' will be a key monitorable going forward. The current ratio and quick ratios of the company stood satisfactory at 1.66x and 1.15x respectively, as on March 31, 2022. The company does not have any debt obligations other than NCD's. The company is not having any capex plans in medium term.

Applicable criteria

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Policy On Curing Period](#)

[Rating Outlook and Credit Watch](#)

[Manufacturing Companies](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrials	Capital Goods	Industrial Products	Castings & Forgings

Incorporated in 2017, Gluhend India Private Limited is sponsored by New York based Private Equity firm Delos Capital Management. The company took over the business of Sage Metal Private Limited (SMPL) and is engaged in export die-cast components made of steel, copper, aluminium, zinc, and iron; which are used in electrical fittings, industrial castings, sanitary drainage fittings, automotive components, and water pump accessories and has manufacturing facilities each in Bawal (Haryana), Faridabad (Haryana) and Sahibabad (Uttar Pradesh). Further, Sage International Inc (SII), incorporated in July 1999 in the US, is a wholly owned subsidiary of GIPL (acquired by SMPL pre-acquisition) and acts as its marketing and warehousing arm in the

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

US and Canada. Trident Components and Jayco Manufacturing, subsidiaries of SII based in USA, are engaged in manufacturing and trading of metal components (same line of business) having 2 manufacturing facilities in USA.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total operating income	332.97	537.70	395.60
PBILDT	18.74	44.80	NA
PAT	-34.17	-58.05	NA
Overall gearing (times)	1.53	2.05	NA
Interest coverage (times)	0.33	0.76	NA

A: Audited A: Audited; UA: Unaudited; NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for the last three years: Please refer Annexure-2

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

Complexity level of the various instruments rated: 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
Debentures-Non Convertible Debentures	INE744Z07027	12-March-2018	12.9	30/06/2023	263.00	CARE D

Annexure-2: Rating history for the 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 2023-2024	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
1	Debentures-Non Convertible Debentures	LT	263.00	CARE D	1)CARE C; Negative (16-Jun-23)	1)CARE C (02-Mar-23)	-	-

*Long term/Short term.

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

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple

Annexure-5: Lender details

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

Note on the complexity levels of the rated instruments: CARE Ratings 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.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has 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 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 its 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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