

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF GLUHEND INDIA PRIVATE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Gluhend India Private Limited** ("the Company"), for the quarter ended 30 June 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
 2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
 3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
 4. Our audit report dated 29 August 2024, on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as included in Annexure A to the Independent Auditor's Report for the year ended 31 March 2023 included qualification among other matters relating to material weakness identified with respect to period end adjustments including related presentation and disclosure requirements as mandated by Indian Accounting Standards and other provisions for the Companies Act, 2013. This could potentially result in material misstatement in the financial statements.
- The Company has not remediated the above material weakness during the quarter ended 30 June 2023.
5. Based on our review conducted as stated in paragraph 3 above and except for the possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. Emphasis of matters

We draw attention to:

- a) Note 4 to the Statement, which explains that the financial results have been prepared on a going concern basis for the reasons stated in that note.
- b) Note 5 to the Statement, which describes matters relating to non-submission of unaudited standalone financial results for the quarter ended 30 June 2023 to BSE. Additionally, the financial results for interim periods and for the financial years 2019-20 to 2022-23 were submitted after the timeframe required in Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Further, BSE has temporarily suspended the trading of Non-Convertible Debentures (NCDs) of the Company subsequent to the quarter end.

Accordingly, the Company could be liable to certain penal provisions for the aforesaid non compliances under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consequential penalties due to these non-compliances to the extent not paid has been ascertained by the management on an estimated basis and recognised in the financial results.

- c) Note 6 to the Statement, with respect to outstanding foreign currency debit notes of Rs. 621.28 million (including Rs. 599.16 million pertaining to wholly owned subsidiary) and credit notes of Rs. 906.49 million (including Rs. 904.36 million pertaining to wholly owned subsidiary). This situation constitutes non-compliance with the Foreign Exchange Management Act, 1999 (FEMA) for which the Company will need to get necessary approvals from the Authorised Dealer (AD) Bank and the Reserve Bank of India. The potential impact, including liability for penal charges, is currently indeterminable. However, the Company does not anticipate significant penalties and has made provision on best estimated basis, as the delays are due to legitimate reasons.

Our conclusion is not modified in respect of these matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W - 100018)



Satpal Singh Arora

Partner

(Membership No. 098564)

UDIN: 24098564BKGWFZ5157)

Place : New Delhi

Date : 30 December 2024

Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2023

(All Amounts in Rs. Millions, unless otherwise stated)

	Particulars	For the Quarter ended 30 June 2023	For the quarter ended 31 March 2023	For the quarter ended 30 June 2022	For the year ended 31 March 2023
		(Unaudited)	(Unaudited) (Refer Note 8)	(Unaudited)	(Audited)
I	Revenue from operations				
	(a) Sale of products and services	903.02	1,154.01	1,309.03	4,898.79
	(b) Other operating revenue	54.43	56.28	58.94	239.08
	Total revenue from operations	957.45	1,210.29	1,367.97	5,137.87
II	Other Income	30.51	2.00	102.06	242.95
III	Total Income (I + II)	987.96	1,212.29	1,470.03	5,380.82
IV	Expenses				
	(a) Cost of materials consumed	390.62	535.58	708.91	2,390.72
	(b) Changes in inventories of finished goods and work-in-progress	91.22	79.68	(12.11)	244.33
	(c) Employee benefits expense	160.47	172.51	201.30	723.81
	(d) Finance costs	123.40	119.17	152.73	518.94
	(e) Depreciation and amortisation expense	29.49	37.93	31.26	141.44
	(f) Other expenses	219.45	248.51	397.44	1,395.97
	Total expenses	1,014.65	1,193.38	1,479.53	5,415.21
V	Profit before exceptional items and tax (III-IV)	(26.69)	18.91	(9.50)	(34.39)
VI	Exceptional Items (Refer Note 7)		282.27		282.27
VII	Profit/(Loss) for the period / year (V-VI)	(26.69)	(263.36)	(9.50)	(316.66)
VIII	Tax expense				
	(a) Current tax	26.83	45.32	16.62	119.83
	(b) Deferred tax	(0.11)	(30.49)	11.82	(27.54)
	Total tax expense	26.72	14.83	28.44	92.29
IX	Profit/(Loss) for the period / year (VII-VIII)	(53.41)	(278.19)	(37.94)	(408.95)
X	Other comprehensive Income				
	Items that will not be reclassified to profit or loss				
	(a) Remeasurement of post employment benefit obligation	2.06	(0.30)	4.91	4.19
	(b) Income tax relating to above item	(0.52)	0.08	(1.24)	(1.05)
	Other Comprehensive Income for the period / year	1.54	(0.22)	3.67	3.14
XI	Total Comprehensive Income / (Expense) for the period / year (IX+X)	(51.87)	(278.41)	(34.27)	(405.81)
XII	Paid up equity share capital (Face value of the share Rs. 10 each)	789.89	789.89	443.86	789.89
XIII	Other Equity	(1,439.70)	(1,396.85)	(1,717.26)	(1,396.85)
XIV	Earnings per equity share (EPS) of Rs. 10 each #				
	(a) Basic (In Rupees)	(0.16)	(0.88)	(0.14)	(1.29)
	(b) Diluted (In Rupees)	(0.16)	(0.88)	(0.14)	(1.29)

EPS is not annualised for the quarter ended 30 June 2023, 31 March 2023 and 30 June 2022.

Additional Information pursuant to requirement of Regulation 52 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended). Below disclosed ratios have not been annualised.

I	Net Debt equity Ratio (in times) [Net Debt / Average Equity] (Net Debt : Current and Non current borrowings - Cash and cash equivalents) (Equity : Equity Share Capital + Other Equity + Compulsorily convertible preference shares (CCPS))	1.25	1.15	1.91	1.43
II	Debt service Coverage Ratio (in times) [(Profit/loss before tax + Depreciation and amortisation expense + Interest on borrowings) / (Payment of Interest + Repayment of borrowings during the period/year)]	1.74	2.49	0.77	0.44
III	Interest Service Coverage Ratio (in times) [Earnings before Interest and tax (EBIT) / Finance cost (EBIT : Profit/Loss before tax + Finance cost)]	0.78	1.16	0.94	0.93
IV	Outstanding redeemable preference shares Value	243.34	243.34	243.34	243.34
V	Outstanding redeemable preference shares Quantity in numbers	24,333,349	24,333,349	24,333,349	24,333,349
VI	Debenture redemption reserve / Capital redemption reserve	NA	NA	NA	NA
VII	Net worth (Share Capital + Other Equity + CCPS)	2,170.37	2,213.22	1,546.78	2,213.22
VIII	Current Ratio (in times) [Current Assets/ Current Liabilities]	1.47	1.93	1.67	1.93
IX	Long term debt to working capital (in times) [(Current and Non-current borrowings / working capital)] (Working capital = Current assets less current liabilities)	2.35	1.74	2.03	1.74
X	Bad debts to Account Receivable ratio (in times) (Bad debts written off / Average Trade receivable)	NA	NA	NA	NA
XI	Current Liability Ratio (in times) (Current liability / Total liabilities)	0.30	0.22	0.24	0.22
XII	Total debts to Total Assets (in times) (Long term borrowings and short term borrowing/ Total Assets)	0.39	0.39	0.38	0.39
XIII	Debtor Turnover (in times) (Revenue from operations / Average Trade Receivable)	0.43	0.56	0.83	2.86
XIV	Inventory Turnover (in times) (Revenue from operations/ Average Inventory)	1.41	1.55	1.30	5.90
XV	Operating Margin (%) (Profit/(Loss) before tax and Exceptional item less other income / Revenue from operations)	(0.06)	0.01	(0.08)	(0.05)
XVI	Net Profit Margin (%) (Profit/(Loss) after tax/Revenue from operations)	(0.06)	(0.23)	(0.03)	(0.08)



GLUHEND INDIA PRIVATE LIMITED

CIN: U74994MH2017FTC303216

Corporate Office : 346, Patparganj Industrial Area, Patparganj, Delhi, 110092

Regd. Office : 23, Floor-2, Plot-59/61, Arsiwala Mansion Nathalal Parikh Marg, Colaba, Mumbai - 400005, Maharashtra

Notes to the Statement of Standalone Unaudited Financial Results:

- 1 These standalone unaudited financial results for the quarter ended 30 June 2023 have been reviewed and approved by the Board of Directors of the Company in its meeting held on 30 December 2024.
- 2 These standalone unaudited financial results have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards ('Ind AS') 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in accordance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Company is primarily engaged in the business of manufacturing of electrical wiring accessories, fittings and other metal components. The Board of Directors, which has been identified as the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, the Company's business activity falls within a single business segment in terms of Ind AS 108.
- 4 The Company has incurred losses of Rs. 53.41 million (Quarter ended 30 June 2022: Rs. 37.94 million) for the quarter ended 30 June 2023 and has accumulated losses of Rs. 2,287.35 million (as at 31 March 2023: Rs 2,235.42 million) as of that date resulting in complete erosion of net worth of the Company.

Further, 12.90% Non-Convertible Debentures (NCD) and accrued interest thereon aggregating to Rs. 2,701.43 million (As at 31, March 2023: Rs. 2,681.65 million) were due for repayment as on 30 June 2021 (maturity date extended to 30 June 2023, further deemed extended to September 2025 and further deemed extended to January 2026). Further, Redeemable Optionally Convertible Preference Shares (ROCPS) and accrued interest thereon aggregating to Rs. 543.77 million as at 31 March 2024 (As at 31 March 2023: Rs. 524.32 million) were due for repayment as on September 2021 (maturity date extended to June 2024). These events and conditions raise significant doubt about the Company's ability to continue as a going concern. However, considering following events, including those occurring after the period end date, management has concluded that no material uncertainties exists.

- a) The Company entered into 'Amended and Restated Framework Agreement' ('Agreement') with ROCPS holder on 13 July 2022 whereby the redemption / repurchase of the ROCPS was extended to on or before 30 June 2024. Further as per:

Clause 3.3.6 of the Agreement (subject to clause 3.5 as below), in case funds are not available with the Company to fulfil the ROCPS obligations on or before 30 June 2024 ("Redemption Period"), the shareholder of the Company (other than ROCPS holder and lenders) shall either induct necessary funds into the Company or purchase the ROCPS from the ROCPS holder at a price that shall provide the ROCPS holder with the amount payable for ROCPS holder as per terms therein.

Clause 3.5 of the agreement, notwithstanding anything contained in this Agreement, the redemption, repurchase, or conversion of, or any payment of the Agreed Annual Return and Agreed Special Return (and any other payment) on, the ROCPS shall be (i) made in such manner and to such extent as may be determined by the Board, (ii) subject to and in accordance with the Financing Document, and (iii) at all time until the Final Settlement Date made only with the prior written consent of the Lenders.

Based on the legal opinion obtained by the management it is established that, clause 3.3.6 and clause 3.5 of the agreement will continue to govern the repayment of ROCPS obligation even post redemption / repurchase date of ROCPS i.e 30 June 2024.

- b) During the quarter, the Company has appointed financial adviser to explore options to find new investors / lenders for equity infusion / debt refinancing.

Subsequent to quarter end:

- c) The Company has repaid NCD's amounting to Rs. 110.01 million in August 2023.
- d) The NCD holders entered Into Standstill Letters (Agreements) dated 16 August 2024 and 26 December 2024 whereby the repayment of NCDs and accrued interest thereon was deemed extended to September 2025 and further extended to January 2026 respectively.
- e) The NCD holder vide letters dated 16 August 2024 and 26 December 2024 have confirmed that they will continue to treat the Company as a going concern and not dispose of individual assets of the Company till 31 October 2026 and further till 28 February 2027 respectively.
- f) The Company has converted the Compulsorily Convertible Preference Shares (CCPS) on 20 March 2024, (classified as financial liability) of Rs. 2,820.18 million into equity shares, resulting in increase in Company's net worth.

Based on the above actions taken, the Board of Directors are reasonably confident that the going concern assumption remains appropriate. Consequently, the financial statements do not include any adjustments related to the recoverability and classification of asset amounts or the classification of liabilities that might be necessary if the Company was unable to continue as a going concern.



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Notes to the Statement of Standalone Unaudited Financial Results:

- 5 a) Pursuant to Section 96 of the Companies Act 2013, the Company had obtained extension to hold its Annual General Meeting (AGM) upto 30 December 2023 for the year ended 31 March 2023. However, the AGM could not be held on 30 December 2023, and as a result, the audited financial statements of the Company for the year ended 31 March 2023 could not be presented at that meeting. The Company subsequently convened the Annual General Meeting on 29 August 2024, at which the financial statements for the year ended 31 March 2023 were presented.

The Company is currently in the process of regularizing the above mentioned non-compliance.

- b) The unaudited standalone financial results for the quarter ended 30 June 2023 are yet to be submitted to BSE Limited (BSE). Also, the standalone and consolidated financial results for the quarter and year ended 31 March 2023, unaudited standalone financial results for the quarter and nine months ended 31 December 2022, unaudited standalone financial results for the quarter and six month period ended 30 September 2022, unaudited standalone financial results for the quarter ended 30 June 2022, and the standalone and consolidated financial results for the quarter and year ended 31 March 2022, standalone financial results for the six months and year ended 31 March 2021, standalone financial results for the six months and year ended 31 March 2020 and unaudited standalone financial results for the quarter and nine months ended 31 December 2021, quarter and six months ended 30 September 2021, six months ended 30 September 2020 and six months ended 30 September 2019 were not filed to BSE within the time prescribed in Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Also, BSE had temporarily suspended the trading of Non-Convertible Debentures (NCDs) of the Company.

Accordingly, the Company could be liable to certain penal provisions for the aforesaid non-compliances under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consequential penalties due to these non-compliances to the extent not paid has been ascertained by the management on an estimated basis and recognised in the financial results. The management expects to remediate these non-compliances in the near future.

- 6 As at 30 June 2023, the Company has outstanding foreign currency debit notes of Rs. 621.28 million (including Rs. 599.16 million pertaining to wholly owned subsidiary) and credit notes of Rs. 906.49 million (including Rs. 904.36 million pertaining to wholly owned subsidiary). This situation constitutes non-compliance with the Foreign Exchange Management Act, 1999 (FEMA) regulations. The Company is in the process of taking steps to rectify the said non-compliance by seeking the necessary approvals from its Authorised Dealer (AD) Bank and the Reserve Bank of India (RBI).

The financial impact of this situation, including any potential liability for penal charges, is currently indeterminable, as it depends on the outcome of the approval process and any associated penalties. Further, the Management, based on legal opinion, has accrued for penalties on best estimate basis and is of the view that there will not be significant additional penalties as the non-compliance are attributable to legitimate business reasons, including operational complexities and regulatory processes.

- 7 As of 31 March 2023, the Company performed its annual assessment of goodwill. The management has compared the carrying amount of the Cash Generating unit (CGU), inclusive of assigned goodwill, to its value in use. The management estimated the value in use of the CGU by applying the discounted cashflow approach. Significant assumptions inherent in the valuation methodologies for goodwill were employed which included but are not limited to, prospective financial information, growth rates, terminal value and discount rates etc. Based on the assessment, the management has determined that the value in use of CGU was less than its carrying amount and accordingly, has recorded goodwill impairment of Rs. 282.27 million during the quarter ended 31 March 2023.
- 8 Figures for the quarter ended 31 March 2023 represents the difference between the audited figures in respect of full financial year and the unaudited published figures of nine months ended 31 December 2022 which have been subjected to limited review by the statutory auditors.

Place : New Delhi
Date : 30 December 2024



For and on behalf of the Board of Directors of
Gluehend India Private Limited

Madhur Aneja
Madhur Aneja
Managing Director



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