

Hindusthan National Glass & Industries Limited

July 06, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2,063.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	600.00	CARE D / CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	200.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE had, vide its press release dated July 08, 2022, continued the ratings of Hindusthan National Glass & Industries Limited (HNG) under the 'issuer non-cooperating' category as HNG 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. HNG continues to be non-cooperative despite repeated requests for submission of information through phone calls and letters/emails dated May 24, 2023, and June 03, 2023, among others.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE'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 ratings.

Detailed description of the key rating drivers:

At the time of last rating on July 08, 2022, the following were the rating strengths and weaknesses (updated for the information available from stock exchange fillings):

Key weaknesses

Ongoing delays in debt servicing: There are continuing delays in servicing of debt by the company. The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated October 21, 2021, has admitted the company for initiation of Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy code, 2016 (IBC).

Continued losses resulting in stressed liquidity position: The company reported net loss of ₹233.32 crore on total operating income (TOI) of ₹2457.35 crore in FY23 vis-à-vis net loss of ₹348.53 crore on TOI of ₹2097 crore in FY22. The liquidity position of the company continues to remain stressed.

Key strengths

Long track record of the company with established market presence

HNG, having market presence of over six decades, is an established manufacturer of container glass and has a pan India presence. The promoters have an experience of over two decades in the container glass industry.

Analytical approach: Standalone

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

Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Manufacturing Companies](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Glass - Consumer

HNG, incorporated in February 1946, was promoted by late MR. C.K. Somany of the Kolkata-based Somany family. The company manufactures container glass with seven manufacturing units, spread across the country having an aggregate installed capacity of 15,69,500 tpa (tonne per annum).

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (Abridged)
Total operating income	1,897.64	2,097.00	2,457.35
PBILDT	42.46	-133.20	-113.24
PAT	-304.14	-348.53	-233.32
Overall gearing (times)	NM	NM	NM
Interest coverage (times)	0.20	-1.11	-4.14

A: Audited, NM: Not Meaningful; Note: 'the above results are latest financial results 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 covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Non Convertible Debenture	INE952A07037	23-Nov-2011	10.40%	23-Nov-2021	100.00	CARE D; ISSUER NOT COOPERATING*
Non Convertible Debenture	INE952A07045	03-Feb-2012	10.40%	03-Feb-2022	100.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	565.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	-	35.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	Sep 2025	1024.99	CARE D; ISSUER NOT COOPERATING*

Fund-based - LT-Term Loan		-	-	Sep 2025	167.55	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	Sep 2025	270.46	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-BG/LC		-	-	-	580.00	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ST-BG/LC		-	-	-	20.00	CARE D / CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

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	Fund-based - LT-Cash Credit	LT	565.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Jul-20)
2	Fund-based - LT-Term Loan	LT	270.46	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Jul-20)
3	Non-fund-based - LT/ST-BG/LC	LT/ST*	580.00	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (22-Jul-20)
4	Debentures-Non Convertible Debentures	LT	200.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Jul-20)
5	Fund-based - LT-Term Loan	LT	1024.99	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Jul-20)
6	Fund-based - LT-Cash Credit	LT	35.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Jul-20)
7	Non-fund-based - LT/ST-BG/LC	LT/ST*	20.00	CARE D / CARE D;	-	1)CARE D / CARE D;	1)CARE D / CARE D;	1)CARE D / CARE D;

				ISSUER NOT COOPERATING*		ISSUER NOT COOPERATING* (08-Jul-22)	ISSUER NOT COOPERATING* (12-Jul-21)	ISSUER NOT COOPERATING* (22-Jul-20)
8	Fund-based - LT-Term Loan	LT	167.55	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Jul-22)	1)CARE D; ISSUER NOT COOPERATING* (12-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (22-Jul-20)

*Issuer did not cooperate; based on best available information.

*Long term/Short term.

Annexure-3: Detailed explanation of 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
2	Fund-based - LT-Cash Credit	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - LT/ ST-BG/LC	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:

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