

**GB Global Limited**  
**(Earlier, Mandhana Industries Limited)**

May 19, 2020

**Ratings**

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	879.63	<b>CARE D; ISSUER NOT COOPERATING* (Single D; Issuer Not Cooperating)</b>	Ratings reaffirmed. Issuer did not cooperate. Based on best available information.
Short-term Bank Facilities	87.50	<b>CARE D; ISSUER NOT COOPERATING* (Single D; Issuer Not Cooperating)</b>	
<b>Total</b>	<b>967.13 (Rupees Nine hundred Sixty Seven crore and Thirteen lakh only)</b>		
Non-Convertible Debentures	57.00	<b>CARE D; ISSUER NOT COOPERATING* (Single D; Issuer Not Cooperating)</b>	Ratings reaffirmed. Issuer did not cooperate. Based on best available information.

*Details of instruments/facilities in Annexure-1*

**Detailed Rationale & Key Rating Drivers**

CARE has been seeking information from GB Global Limited (GGL) to monitor the rating(s) vide e-mail communications dated May 13, 2020, May 14, 2020 and May 15, 2020. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. 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. The rating on GGL's bank facilities and instruments will now be denoted as **CARE D, ISSUER NOT COOPERATING\***.

***Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).***

The rating continues to take into account ongoing delays in debt servicing and intimation of Corporate Insolvency resolution process by creditors under NCLT order dated December 05, 2019.

**Detailed description of the key rating drivers**

*At the time of last rating on March 29, 2019 the following were the rating strengths and weaknesses (updated for the information available from audited financial available from Stock Exchange fillings):*

**Key Rating weakness:**

**Ongoing delays in debt servicing**

Delays in servicing of debt obligation by the company due to its weakened liquidity position. Further, the creditors of the company has initiated Corporate Insolvency Resolution process to recover dues.

**Analytical approach: Standalone**

**Applicable criteria**

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

[CARE's policy on Default recognition](#)

[Financials Ratio-Non Financial Sector](#)

[Rating of Short Term instruments](#)

[Criteria on assigning 'Outlook' and 'Credit watch' to Credit Ratings](#)

[Rating Methodology – Manmade yarn manufacturing](#)

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

\*Issuer did not cooperate; Based on best available information

### About the Company

GB Global Limited (GGL) (Earlier known as Mandhana Industries Limited) is engaged primarily in manufacturing of textile fabric (grey and finished fabric). As on March 31, 2015, GGL had a yarn dyeing capacity of 4.3 mn kg per annum, weaving capacity of 36 mn mtrs of grey fabric per annum, fabric processing capacity of 72.60 mn mtrs per annum and garmenting capacity of 6.60 mn pieces per annum. The garmenting facility is located at Bangalore while all other facilities are located at MIDC, Tarapur. Apart from this, GGL has also commenced 1 mn piece garmenting facility at Baramati in March 2015.

GB Global Ltd. is currently under Corporate Insolvency Resolution process.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	330.18	294.85
PBILDT	-137.96	-0.30
PAT	-799.10	-42.37
Overall gearing (times)	NM*	
Interest coverage (times)		

A: Audited, NM: Not meaningful

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	277.13	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Cash Credit	-	-	-	602.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-BG/LC	-	-	-	87.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Debentures-Non Convertible Debentures (ISIN: INE087J07017, INE087J07025, INE087J07033, INE087J07041)	March 15, 2013	12.75%	October 03, 2018	57.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

## Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	277.13	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-19)	-	1)CARE D; ISSUER NOT COOPERATING* (23-Jan-18)
2.	Fund-based - LT-Cash Credit	LT	602.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-19)	-	1)CARE D; ISSUER NOT COOPERATING* (23-Jan-18)
3.	Non-fund-based - ST-BG/LC	ST	87.50	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-19)	-	1)CARE D; ISSUER NOT COOPERATING* (23-Jan-18)
4.	Debentures-Non Convertible Debentures	LT	57.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE D; ISSUER NOT COOPERATING* (01-Apr-19)	-	1)CARE D; ISSUER NOT COOPERATING* (23-Jan-18)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

#### Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careratings.com](http://www.careratings.com)**