



# HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.

Registered Office : 2, Red Cross Place, Post Box : 2722, Kolkata - 700 001, India

Tel. : 2254 3100, Fax : (91) (33) 2254 3130

E-mail : hngkol@hngil.com, Website : www.hngil.com

CIN - L26109WB1946PLC013294



SEC/SE/248

24<sup>th</sup> May, 2022

1. The Dy. Manager (Listing)  
**BSE LIMITED**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 023  
**(Scrip Code: 515145)**
2. The Manager, Listing Department  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai 400 051  
**(Scrip Code: HINDNATGLS)**
3. The Secretary  
**The Calcutta Stock Exchange Ltd.,**  
7, Lyons range, Kolkata-700 001  
**(Scrip Code: 10018003)**

Dear Sir/Madam,

Sub: **Outcome of the Board Meeting held on 24<sup>th</sup> May, 2022 and disclosures under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with till date amendments**

This is to inform you that the Directors of the Company at their meeting held with the Resolution Professional today, i.e. 24<sup>th</sup> May, 2022, inter-alia, have considered and approved the Audited Standalone Financial Results of the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

The Audited Standalone Financial Results of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 as per Regulation 33(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 along with the Auditors' Report and Statement on impact of Audit Qualification, duly approved by the Directors and taken on record by the Resolution Professional on recommendation of Audit Committee are enclosed for your ready reference.

The Audited Financial Results shall be published in the newspapers as per Regulation 47(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and would be available on the website of the Company [www.hngil.com](http://www.hngil.com).

The meeting commenced at 12.30 P.M. and concluded at 5:15 P.M.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Hindusthan National Glass & Industries Limited**

**(Mukund Chandak)**  
**Company Secretary**

Encl: as above

## Independent Auditor's Report

To

**The Resolution Professional**

**Hindusthan National Glass & Industries Limited**

**(A Company under Corporate Insolvency Resolution Process vide NCLT Order)**

**IP Registration No.: IBBI/IPA-001/IP-P00999/2017-18/11646**

### Report on the audit of the Annual Financial Results

#### Qualified Opinion

We have audited the accompanying statement of financial results ("the Statement") of **HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED** ("the Company") for the quarter and year ended March 31, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. are presented in accordance with the requirements of Regulations 33 of the Listing Regulations in this regard; and
- ii. except for the possible effects of the matter described in 'Basis for Qualified Opinion' paragraph below, gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss (including other comprehensive income) and other financial information of the Company for the quarter and year ended March 31, 2022.

#### Basis for Qualified Opinion

Attention is drawn to the followings:

- a. Note No. 5 of the financial results, regarding appropriation of payments made by the company during March, 2019 to September, 2021 by the Lead Banker against outstanding loans and adjustment by the management and interest calculations thereon. In absence of any balance confirmation from the lenders and consequent reconciliation thereof with the outstanding balances and impact thereof if any, on the reported figures cannot be ascertained. Also, Refer Note No. 7 to the financial results regarding the pending reconciliations of admitted claims of financial creditors, operational creditors and others with the books of accounts. Due to which, Impact if that may arise has not been considered in the preparation of the financial results for the quarter and year ended 31<sup>st</sup> March, 2022.
- b. Note no. 8 of the financial results, regarding the non-accounting of interest of Rs. 8,775 lakhs as calculated by the company on outstanding borrowings (including Non-Convertible Debentures) post initiation of Corporate Insolvency Resolution Process ('CIRP') with effect from October 21, 2021 under Section 14 of Insolvency and Bankruptcy Code, 2016 ('IBC').
- c. Note no. 9 of the financial results, the company has restated the ECB borrowings of USD 641.27 lakhs at foreign currency exchange rate of Rs. 74.7635 per USD as on October 21, 2021 (date of initiation of CIRP) as against exchange rate of Rs. 75.8071 per USD as on March 31, 2022 resulting in short booking of exchange loss of Rs. 669 lakhs in the books of accounts which has consequent impact on the result for the quarter and year ended March 31, 2022.
- d. Note no. 12 to the financial results, which indicate that the company has accumulated losses and its net worth has completely eroded, the company has incurred losses during the current period and in the earlier period(s)/ year(s), the company's current liabilities exceeds its current assets and the company is having a high debt-equity ratio (Debt being Rs. 2,26,319 lakhs and Equity being Rs. (76,636) lakhs) as at March 31, 2022, realizable value of assets is lower than amount payable to secured creditors, earning per share is negative. In our opinion, based on the above, the company does not appear to be a going concern.
- e. Rs. 1238 lakhs were set aside in FY 2019-20 by the members of the lenders consortium towards corpus fund for meeting legal expenses out of which Rs. 131 lakhs have been accounted for based on the details submitted by the bank during the current financial year, however no proper documents from the Bank is available for the



same. The remaining amount of Rs. 1107 lakhs lying unadjusted in the books of accounts as on 31.03.2022 is subject to confirmation from the bank.

In our opinion and to the best of our information, according to the explanations given to us, the Statement, except for the matters described in paras (a),(b), (c), (d) & (e) above, are presented in accordance with the requirements of Regulation read with Circular in this regard and the annual audited financial results for the year ended March 31, 2022 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of loss and other comprehensive income) and other financial information of the Company for the year ended March 31, 2022 in accordance with the accounting principles generally accepted in India.

#### **Emphasis of Matter**

We draw attention to note no. 1 of the financial results, 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).

Our conclusion is not modified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the annual financial results.

#### **Management's Responsibilities for the Annual Financial Results**

The Statement has been prepared on the basis of the annual financial statements. The Company's Management, the Board of Directors and Resolution Professional of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss (including other comprehensive income) of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Management, the Board of Directors and Resolution Professional are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors and Resolution Professional are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors.
- Conclude on the appropriateness of the Management and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

**For Doshi Chatterjee Bagri & Co LLP**  
**Chartered Accountants**  
**Firm Registration No.325197E/E300020**

*Debraj Dutta*

**Debraj Dutta**

**Partner**

**Membership No.312309**

4<sup>th</sup> Floor, Systron Building

Plot J5, Block EP & GP

Sector V, Salt Lake, Kolkata – 91

Date: 24<sup>th</sup> May, 2022

**UDIN: 22312309AJMPFO8212**



**For JKVS & CO**  
**Chartered Accountants**  
**Firm Registration No.318086E**

*Ajay Kumar*

**Ajay Kumar**

**Partner**

**Membership No.068756**

5A, Nandlal Jew Road

Kolkata – 26

Date: 24<sup>th</sup> May, 2022

**UDIN:22068756AJMOAF9220**



HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED  
REGISTERED OFFICE: 2 RED CROSS PLACE, KOLKATA - 700001  
CIN: L26109WB1946PLC013294  
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2022

Rs. In Lakhs

Particulars	3 Months ended			Year Ended	Year Ended
	Audited	Unaudited	Audited	Audited	Audited
	31-03-2022	31-12-2021	31-03-2021	31-03-2022	31-03-2021
<b>Revenue</b>					
I. Revenue from operations	59,375	58,474	59,237	2,09,700	1,89,895
II. Other income	520	198	522	2,406	1,158
<b>III. Total income (I+II)</b>	<b>59,895</b>	<b>58,672</b>	<b>59,759</b>	<b>2,12,106</b>	<b>1,91,053</b>
<b>Expenses</b>					
Cost of materials consumed	24,565	18,816	16,764	75,972	60,527
Changes in inventories of finished goods and work-in-progress	4,093	6,867	5,940	(1,568)	(2,671)
Employee benefit expenses	5,479	5,278	4,739	21,231	20,514
Power and fuel expense	25,029	24,347	19,913	90,897	71,532
Depreciation and amortization expenses	2,936	2,951	3,452	11,900	13,447
Finance costs	414	1,315	4,952	12,039	21,048
Other expenses	9,457	9,298	9,448	36,488	37,070
<b>IV. Total expenses</b>	<b>71,973</b>	<b>68,872</b>	<b>65,208</b>	<b>2,46,959</b>	<b>2,21,467</b>
<b>V. Loss before tax (III-IV)</b>	<b>(12,078)</b>	<b>(10,200)</b>	<b>(5,449)</b>	<b>(34,853)</b>	<b>(30,414)</b>
<b>VI. Tax expense:</b>					
(1) Current Tax	-	-	-	-	-
(2) Deferred Tax	-	-	-	-	-
(3) Income Tax for Earlier Years	-	3	0	0	-
<b>Total Tax expense</b>	<b>-</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>VII. Loss for the period after Tax (V-VI)</b>	<b>(12,078)</b>	<b>(10,203)</b>	<b>(5,449)</b>	<b>(34,853)</b>	<b>(30,414)</b>
<b>VIII. Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Re-measurement gains/ (losses) on defined benefit plans	636	(70)	(270)	425	(281)
<b>IX. Total comprehensive income for the period (VII+VIII)</b>	<b>(11,442)</b>	<b>(10,273)</b>	<b>(5,719)</b>	<b>(34,428)</b>	<b>(30,695)</b>
Paid-up equity share capital (face value per share Rs 2/- Other equity)	1,791	1,791	1,791	1,791 (78,427)	1,791 (44,958)
<b>X. Earnings per equity share (EPS)</b>					
(1) Basic & Diluted	(13.49)	(11.39)	(6.09)	(38.92)	(33.96)
<b>Weighted Average Number of shares</b>					
(1) Basic & Diluted	8,95,53,565	8,95,53,565	8,95,53,565	8,95,53,565	8,95,53,565

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**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2022**

Notes:

- 1 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) and appointed Mr Girish Siriram Juneja having Registration no IBBI/PA-001/IP-P00999/2017-18/11646 as the Interim Resolution Professional. In a appeal filed by the promoters with NCLAT opposing the admission of the Company to Insolvency the Hon'ble NCLAT New Delhi stayed the Constitution of the COC by its order dt October 28, 2021. Further NCLAT vide its order dated January 18, 2022 vacated the stay on the formation of COC. Thereafter at the 1st Meeting of the Committee of Creditors of the Company held on January 28, 2022 the e-voting results of which concluded on Feb 9, 2022, the Interim Resolution Professional Mr Girish Siriram Juneja has been appointed as the Resolution Professional and he is to be supported in the CIRP by EY Restructuring LLP as the Insolvency Professional Entity. The next date of hearing of appeal filed by the promoters in NCLAT is schedule on July 14, 2022.
- 2 The above financial results which are in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 05, 2016, have been prepared by the management, reviewed by the Audit Committee and approved in the meeting of Directors chaired by RP held on May 24, 2022. The said financial results of the Company have been prepared by the management of the Company and certified by the Director and Chief Financial Officer of the Company. The RP has relied upon the assistance provided by the members of the Audit Committee in review of the financial results and certifications, representations and statements made by Director of the Company in relation to these financial results. As authorised, Director and Chief Financial Officer of the Company have signed the financial results and the RP has taken on record the said statement of financial results only to the limited extent of discharging the powers of the Board of Directors of the Company which has been conferred upon him in terms of provisions of Section 17 of the Code.
- 3 The figures for the last quarter of the current and previous financial year are the balancing figures between the audited figures in respect of the full financial years ended 31st March and the published unaudited (with limited review) year to date figures upto third quarter ended 31st December of respective financial year.
- 4 The Company has one operating business segment viz. manufacturing and selling of container glass bottles and all other activities are incidental to the same.
- 5 During March 2019 to Sept 2021, State Bank of India, the lead banker, had appropriated a sum of Rs. 55,002 lakhs out of promoter contribution, internal accruals and the cut back for repayment to the lenders of the consortium, which the Company has adjusted from the Principal obligation of the debt. Further during Quarter ended March 31, 2022, no appropriation is done or adjusted in the books of accounts.
- 6 During the quarter ended one of the lender has sold the pledged 75 Lakhs shares of HNG Trust and Ace Trust in which the Company have sole Beneficial interest for Rs 958.78 Lakhs and adjusted to Claim. The company has adjusted the said amount towards the principal with credit to Capital Reserve.
- 7 As per the IBC, the RP has received, collated, verified many of the claims submitted by the creditors of the Company. The RP received claims amounting to Rs 3,33,810 lakhs from Financial Creditors till May 18, 2022 and after verification admitted a sum of Rs 3,32,818 lakhs as claims of Financial creditors having books balance of Rs 2,89,710 lakhs and claim of Rs 976 Lakhs from financial creditors is under verification and remaining amount of Rs 16 lakhs has been rejected. RP is still in the process of collating and verifying claims received from the various classes of operational/others creditors totalling to Rs 26,444 lakhs out of which Rs 3363 lakhs has been rejected and Claim of Rs 20,515 Lakhs has been admitted and remaining amount of Rs 2,566 lakhs is under verification and shall account for the verified claims against the company as per the provisions of IBC 2016. Pending reconciliation of the claim admitted with the books of accounts, the impact of such claims, if any, that may arise has not been considered in the preparation of the aforesaid financial results as on March 31, 2022.
- 8 The finance cost on borrowing including Non Convertible Debenture issued by company for the Quarter and year ended has been calculated till October 21, 2021 (CIRP admission date).
- 9 Outstanding ECB borrowing as per books USD 641.27 lakhs as on March 31, 2022 has been reinstated at an exchange rate Rs 74.7635 per USD being rate as prescribed in www.fbil.org.in as on October 21, 2021 being date of admission for CIRP.
- 10 It may be further noted that in consonance with the stipulations contained in Section 14 of the Code, a moratorium has been declared vide the Order dated October 21, 2021 passed by the Hon'ble NCLT, inter alia, prohibiting the following:
  - a. the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or other in any court of law, tribunal, arbitration panel or other authority;
  - b. transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
  - c. any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - d. the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

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**STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2022**

11 As required by Clause 52(4) of the Listing Obligations and Disclosure Requirements Regulations 2015, given below are the details pertaining to the

(i)

Particulars	Year Ended	Year Ended
	31-03-2022	31-03-2021
Net worth (Rs. in lakhs)	(1,05,965)	(71,571)
Debt equity ratio*	(2.95)	(5.33)
Debt service coverage ratio (DSCR)	(0.95)	0.18
Interest service coverage ratio (ISCR)	(0.91)	0.19
Formula: Debt Equity Ratio = Debt/ Equity (* The Debt Equity Ratio has been shown as negative as the denominator is in negative.) DSCR = Profit before Depreciation, Interest and Tax (PBDIT)/(Interest Expense on Long Term Debt + Principal Repayment pertaining to Long Term Debt) ISCR = PBDIT/Interest Expense		

(ii)

NCD Particulars	Present Rating	Previous Rating	Asset Coverage Ratio	Details of last interest payment		Details of Principal Prepayment#		Details of next interest payment		Details of outstanding Principal payment	
				Due Date	Status	Payment Date	Amount (Rs in Lakhs)	Due Date	Amount (Rs in Lakhs)	Due Date	Amount (Rs in Lakhs)
10.40% NCD	CARE D	CARE D	0.84	23.11.2021	Unpaid	04.05.21, 31.05.21, 28.06.21, 30.07.21, 30.08.21, 29.09.21	134	Refer below mentioned Note no A & Note no B above			
10.40% NCD	CARE D	CARE D	0.84	03.02.2022	Unpaid	04.05.21, 31.05.21, 28.06.21, 30.07.21, 30.08.21, 29.09.21	134	Refer below mentioned Note no B & Note no B above			
10.00% NCD	NIL	NIL	0.84	NA	NA	NIL	NIL	09.07.2024	5,000	09.07.2024	10,000

Note:

A. The Secured Non Convertible Debenture was due for redemption at par on 23.11.2021, but the entire principal and interest there on remains unpaid.

B. The Secured Non Convertible Debenture was due for redemption at par on 03.02.2022, but the entire principal and interest there on remains unpaid.

\* Due to the current financial crunch, the company is not in a position to pay the interest on 10.40% NCD which were due on 23.11.2018, 23.11.2019, 23.11.2020, 03.02.2018, 03.02.2019, 03.02.2020, 03.02.2021, 23.11.2021 & 03.02.22

12 The financial results of the Company have been prepared on a going concern basis by the management. The company is incurring losses since financial year 2012-2013 which has eroded its net worth completely. The Company's ability to continue as a going concern is dependent upon many factors including continued support from the financial creditors, operational creditors and submission of a viable resolution plan by the prospective investor. Under the CIRP, a resolution plan needs to be presented to and approved by the COC and thereafter will need to be approved by the NCLT to keep the Company as a going concern. In view of the opinion of the Directors and KMPs, resolution and revival of the company is possible in the foreseeable future. Further the RP is required to make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern.

The management / RP is of the view that they are making best efforts to achieve favourable order in ongoing litigations in order to protect the value of its assets and is making efforts to revive operations. As per rules and regulations of the Corporate Insolvency Resolution Process (CIRP) stipulated under the Insolvency and Bankruptcy Code, 2016, RP has invited Resolution Plans from the eligible Prospective Resolution Applicants (PRA). In line with the objective of the IBC (refer Note 1) to run the company as Going Concern, the financial results for the Quarter and twelve months ended 31st March 2022 have been prepared on Going Concern basis. In view of the Management and the RP, the going concern assumption considered for the preparation of financial results has not been vitiated.

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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2022

13 STATEMENT OF ASSETS AND LIABILITIES

Rs. In Lakhs

PARTICULARS	Audited As at 31 03 2022	Audited As at 31 03-2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	1,63,401	1,72,567
(b) Capital work-in-progress	8,310	8,636
(c) Intangible assets	0	48
(d) Right of use Assets	4,801	4,867
(e) Financial assets		
(i) Investments	120	117
(ii) Other financial assets	7,552	7,360
(f) Other non-current assets	651	1,651
	<b>1,84,835</b>	<b>1,95,246</b>
<b>Current assets</b>		
(a) Inventories	42,409	44,980
(b) Financial assets		
(i) Trade receivable	34,662	34,543
(ii) Cash and cash equivalents	15,862	15,427
(iii) Bank balances other than (ii) above	1,200	1,327
(iv) Other financial assets	1,058	1,222
(c) Current tax assets (net)	305	310
(d) Other current assets	13,810	7,962
	<b>1,09,306</b>	<b>1,05,771</b>
<b>Total assets</b>	<b>2,94,141</b>	<b>3,01,017</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,791	1,791
(b) Other equity	(78,427)	(44,958)
<b>Total equity</b>	<b>(76,636)</b>	<b>(43,167)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	14,575	80,771
(ii) Other financial liabilities	369	377
(iii) Lease Liabilities	4	4
(b) Provisions	3,269	2,711
(c) Other non-current liabilities	4,147	4,753
	<b>22,364</b>	<b>88,616</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,07,925	1,44,720
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises & small enterprises	5,475	3,268
(b) Total outstanding dues of creditors other than micro enterprises & small enterprises	39,419	24,547
(iii) Other financial liabilities	87,306	76,316
(b) Other current liabilities	8,095	6,588
(c) Provisions	193	129
	<b>3,48,413</b>	<b>2,55,568</b>
<b>Total liabilities</b>	<b>3,70,777</b>	<b>3,44,184</b>
<b>Total equity and liabilities</b>	<b>2,94,141</b>	<b>3,01,017</b>



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HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED  
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2022  
CIN: L26109WB1946PLC013294

14. Statement of Cash flow for the Year Ended 31st March 2022		Rs. In Lakhs	
Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021	
<b>Cash Flow from Operating activities</b>			
Loss before tax	(34,852)	(30,414)	
<b>Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows</b>			
Depreciation/Amortisation	11,900	13,447	
Loss/(profit) on sale/discard of Property Plant and Equipment/CWIP	195	1,454	
Bad Debts and Impairment allowances for trade receivables	124	158	
Interest Income	(286)	(288)	
Diminution/(Gain) in value of Investment	(3)	50	
Notional Interest Income on ICD	(585)	(585)	
Notional Interest Expense on ICD	434	392	
Finance Costs	11,605	20,656	
Liability no longer required written back	(1,368)	(110)	
<b>Operating cash flow before working capital changes</b>	<b>(12,837)</b>	<b>4,760</b>	
<b>Movement in working capital :</b>			
Increase/(Decrease) in Trade Payables and Other Liabilities	20,643	7,222	
Decrease/(Increase) in Trade Receivables	(243)	(2,567)	
Decrease/(Increase) in Inventories	2,571	560	
Decrease/(Increase) in Loans and Advances	(5,720)	9,892	
<b>Cash generated from Operations</b>	<b>4,414</b>	<b>19,867</b>	
Direct taxes (paid)/Refunds (net)	5	(40)	
<b>Net Cash Flow from Operating activities (A)</b>	<b>4,419</b>	<b>19,827</b>	
<b>Cash Flow from Investing activities</b>			
Purchase of Property Plant and Equipment, intangible assets, Capital Work in Progress and Capital Advances	(758)	(1,737)	
Proceeds from sale of Property Plant and Equipment	21	6	
Proceeds from Treasury Shares	959		
Redemption/(Investment) in bank deposits with maturity more than 3 months	127	(5)	
Interest received	157	354	
<b>Net Cash Flow from/(used in) Investing activities (B)</b>	<b>506</b>	<b>(1,382)</b>	
<b>Cash Flow from Financing activities</b>			
Proceeds from borrowings	-	37	
Repayment of long term borrowings	(1,332)	(4,466)	
Net repayment of Short term borrowings	(2,902)	(8,756)	
Interest paid	(256)	(238)	
<b>Net Cash Flow used in Financing activities (C)</b>	<b>(4,490)</b>	<b>(13,423)</b>	
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>435</b>	<b>5,022</b>	
Cash and cash equivalents at the beginning of the year	15,427	10,405	
<b>Cash and cash equivalents at the end of the year</b>	<b>15,862</b>	<b>15,427</b>	
<b>Components of Cash and Cash Equivalents</b>			
<b>Balances with banks:</b>			
In current accounts	15,854	15,420	
In deposit accounts & Dividend accounts	2	2	
<b>Cash in hand</b>	<b>6</b>	<b>5</b>	
<b>Total cash and cash equivalents</b>	<b>15,862</b>	<b>15,427</b>	

Note : The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IND AS) on Statement of Cash Flow as notified under Companies (Accounts) Rules,2015.

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HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED  
REGISTERED OFFICE: 2 RED CROSS PLACE, KOLKATA - 700001  
CIN: L26109WB1946PLC013294  
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2022

- 15 In terms of the provisions of regulations 54(2) of SEBI (LODR) Regulation, Non-Convertible Debentures issued to LIC are secured by first charge ranking pari-passu on all immovable properties by way of equitable mortgage and hypothecation of all moveable properties both present and future of the Company.
- 16 Figures of the previous quarters/periods have been regrouped / re-arranged wherever considered necessary.

For HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

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Date: 2022.05.24  
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**Sanjay Somany**  
(Chairman & Managing Director)  
DIN: 00124538  
Date : May 24, 2022  
Place : New Delhi

For HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED  
TAKEN ON RECORD



**Girish Sriram Juneja**  
(Resolution Professional)  
Date : May 24, 2022  
Place : Mumbai



**Statement on impact of Audit Qualifications for the Financial Year ended  
March 31, 2022**

Particulars	Rs in Lakhs	
	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
Turnover/ Total Income	2,12,106	Not Applicable
Total Expenditure	2,46,959	2,56,403
Net Profit/ (Loss)	(34,853)	(44,297)
Earnings Per Share	(38.92)	(49.46)
Total Assets	2,94,141	2,94,141
Total Liabilities	3,70,777	3,80,221
Net Worth	(76,636)	(86,080)
Any other financial item (as felt appropriate by the management)	Nil	Nil

**a. Details of Audit Qualification:**

- Qualification regarding adjustment of Rs 55,002 lakhs against outstanding loan balances.
- Qualification regarding non accounting of interest Rs 8775 lakhs
- Qualification regarding exchange loss Rs 669 lakhs
- Qualification regarding corpus of Rs 1238 lakhs by lead banker
- Qualification regarding Going Concern.
- Qualification regarding admission of claims, pending reconciliation and accounting of difference.

**b. Type of Audit Qualification: Qualified Opinion.**

**c. Frequency of qualification:**

- Qualification (a) is continuing since March'19.
- Qualification (b) started from March'22.
- Qualification (c) started from March'22.
- Qualification (d) started from March'22.
- Qualification (e) is continuing since March'18.
- Qualification (f) started from March'22.

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**

Resolution Professional alongwith Management's estimation on the impact of audit qualification for:

Clause b - Rs 8775 lakhs on account of interest

Clause c - Rs 669 lakhs on account of exchange loss

Clause d - Rs 1238 lakhs out of which Rs 131 has already been adjusted. Balance confirmation to be arranged.

**e. For Audit Qualification(s) where the impact is not quantified by the auditor, Management's Views**

Regarding clause (a) and (f) - As part of the CIRP process, creditors of the Company were called upon to submit their claims to the IRP. Claims submitted by financial and operational creditors included claims which exceeded the amount as appearing in the books of accounts. Pending final outcome of the CIRP process, no provision has been made for the excess claims submitted/ admitted.

Regarding clause (c) - The Company has assessed that the use of the going concern assumption is appropriate. These financial results have been prepared on a going concern

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assumption basis as per below:

i) The Code requires the RP to, among other things, run the Company as a going concern during CIRP.





ii) The RP, in consultation with the Committee of Creditors ('CoC') of the Company, in accordance with the provisions of the IBC, is making all endeavors to run the Company as a going concern along with the assistance of the management of the company basis the future business outlook and the continuity in the operations of the company.

Pending the completion of the CIRP process, these financial results have been prepared on a going concern basis.

**f. Auditors' Comments on (d) or (e) above:**

(i) As the lenders are yet to take final decision and future course of action by the company is uncertain, we can comment on the same as and when the action will be taken by the company.

(ii) As per the Compromise and Settlement agreement dated 25<sup>th</sup> September, 2018 company has accounted the same based on the fund based exposure.

Sanjay Somany Chairman & Managing Director	<b>SANJAY SOMANY</b> Digitally signed by SANJAY SOMANY Date: 2022.05.24 13:57:55 +05'30'
Ratna Kumar Daga Chairman – Audit Committee	<b>RATNA KUMAR DAGA</b> Digitally signed by RATNA KUMAR DAGA Date: 2022.05.24 13:58:42 +05'30'
Bimal Kumar Garodia President & CFO	
For Doshi Chatterjee Bagri & Co LLP Chartered Accountants FRN :325197E/E300020 Debraj Dutta Partner Membership No. 312309	
For JKVS & CO Chartered Accountants FRN : 318086E Ajay Kumar Partner Membership No. 068756	
Girish Siriram Juneja (Resolution Professional) Taken on Records	

Place: Kolkata

Date: 24<sup>th</sup> May, 2022

