



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/267

August 11, 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(s)/Madam,

Sub: **Outcome of the Meeting held on 11th August, 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 in the meeting held today, i.e. 11th August, 2022, the Un-Audited Financial Results of the Company for the quarter ended 30th June, 2022 were considered and approved by the Directors of the Company (whose powers have been suspended vide order of the Hon'ble NCLT dated 21st October, 2021) and were taken on record by the Resolution Professional (RP).

The copy of the approved Results, along with the Limited Review Report of the Joint Statutory Auditors are enclosed herewith for your information and records.

The extracts of Unaudited Financial Results of the Company shall be published in the newspaper as per Regulation 47(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with till date amendments and would be also available on the website of the Company www.hngil.com.

The meeting commenced at 1.05 P.M. and concluded at 4.15 P.M.

Thanking you,

Yours faithfully,

For **Hindusthan National Glass & Industries Limited**


(Mukund Chandak)
Company Secretary



Encl: as above

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

1. We have reviewed the accompanying Statement of Unaudited Financial Results ("the Statement") of Hindusthan National Glass & Industries Limited ("the Company") for the quarter ended 30th June, 2022 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Resolution Professional in their meeting held on 11th August, 2022, 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 there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review 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 (I.C.A.I). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw attention to the followings:
 - a. Note No. 4 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. 6 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 ended 30th June, 2022.
 - b. Note no. 7 of the financial results, regarding the non-accounting of interest of Rs. 13,672 lakhs (Rs. 4,897 lakhs for current quarter) 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. 8 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. 78.9421 per USD as on June 30, 2022 resulting in short booking of exchange loss of Rs. 2,680 lakhs in the books of accounts which has consequent impact on the result for the quarter ended June 30, 2022.
 - d. Note no. 11 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 exceed its current assets and the company is having a high debt-equity ratio (Debt being Rs. 2,25,989 lakhs and Equity being Rs. (89,974) lakhs) as at June 30, 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. 1,238 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. 1,107 lakhs lying unadjusted in the books of accounts as on 30.06.2022 is subject to confirmation from the bank.
5. Based on our review conducted as above, except for the matters described in Para 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial result prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 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 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.

7. 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 previous financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the previous 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



4th Floor, Systron Building
Plot J5, Block EP & GP
Sector V, Salt Lake, Kolkata - 91
Date: 11th August, 2022
UDIN: 22312309AOUZUI4250

For J K V S & CO
Chartered Accountants
Firm Registration No.318086E

Ajay Kumar

Ajay Kumar
Partner
Membership No.068756



5A, Nandlal Jew Road, Kolkata-26
Date: 11th August, 2022
UDIN: 22068756AOUYLR4400

HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED
REGISTERED OFFICE: 2 RED CROSS PLACE, KOLKATA - 700001
CIN: L26109WB1946PLC013294
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2022

₹ In Lakhs

Particulars	Quarter Ended			Year Ended
	30-06-2022	31-03-2022	30-06-2021	31-03-2022
	Unaudited	Audited	Unaudited	Audited
Revenue				
I. Revenue from operations	63,480	59,375	42,496	2,09,700
II. Other income	212	520	301	2,406
III. Total income (I+II)	63,692	59,895	42,797	2,12,106
Expenses				
Cost of materials consumed	27,164	24,565	16,265	75,972
Changes in inventories of finished goods and work-in-progress	3,093	4,093	(8,354)	(1,568)
Employee benefit expenses	5,105	5,479	5,118	21,231
Power and fuel expense	30,904	25,029	19,605	90,897
Finance costs	289	414	5,155	12,039
Depreciation and amortization expenses	3,017	2,936	3,036	11,900
Other expenses	7,863	9,457	8,725	36,488
IV. Total expenses	77,435	71,973	49,550	2,46,959
V. Loss before tax (III-IV)	(13,743)	(12,078)	(6,753)	(34,853)
VI. Tax expense:				
(1) Current Tax	-	-	-	-
(2) Deferred Tax	-	-	-	-
Total Tax expense	-	-	-	-
VII. Loss for the period after Tax (V-VI)	(13,743)	(12,078)	(6,753)	(34,853)
VIII. Other comprehensive income				
Items that will not be reclassified to profit or loss				
Re-measurement gains/ (losses) on defined benefit plans	106	636	(70)	425
IX. Total comprehensive income for the period (VII+VIII)	(13,637)	(11,442)	(6,823)	(34,428)
Paid-up equity share capital (face value per share Rs 2/-)	1,791	1,791	1,791	1,791
Other equity				(78,427)
X. Earnings per equity share (EPS)				
(1) Basic & Diluted (not annualised)	(15.35)	(13.49)	(7.54)	(38.92)
Weighted Average Number of shares				
(1) Basic & Diluted	8,95,53,565	8,95,53,565	8,95,53,565	8,95,53,565

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 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) ("the Code") and appointed Mr Girish Siriram Juneja having Registration no IBBI/IPA-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 dated 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 evoting results of which concluded on Feb 9, 2022, the Interim Resolution Professional Mr Girish Siriram Juneja has been appointed as the Resolution Professional (RP) 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 September 6, 2022.

As per the CIRP timelines, the 180 days of the CIRP period (excluding 82 days of stay period) expired on 10th July, 2022. The RP had filed an application for extension with the Hon'ble National Company Law Tribunal, Kolkata Bench seeking an extension of a period of 90 days under Section 12(2) of the Code and the same was approved. Hence, the last date for CIRP is 8th October, 2022. As per the provision of IBC 2016, the RP had initiated the resolution process for the Company by inviting expression of interest through publication of Form G on 25th March, 2022. The company had received an expression of interest from various applicants and further on 25th July, 2022, the resolution professional has received resolution plans which are under consideration by the CoC. Meanwhile the Promoters had discussed with the lenders of the company for a One Time Settlement under section 12A of IBC, 2016. The lenders suggested that for them to deliberate and evaluate whether to proceed or not with the 12A proposal, in order to show their commitment, the promoters should deposit a sum of Rs 107.50 crores. Accordingly the promoters have deposited the same on 10th June, 2022 as an upfront contribution in a No Lien account with SBI.'

- 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 August 11, 2022. 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 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 Company has one operating business segment viz. Manufacturing and Selling of Container Glass Bottles and all other activities are incidental to the same.
- 4 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 June 30, 2022, no appropriation is done or adjusted in the books of accounts.
- 5 During the current quarter one of the lender has sold the pledged 18,83,204 equity shares of the company held by M/s Ace Trust in which the Company has sole beneficial interest for Rs 298.91 Lakhs and adjusted to Claim. The company has adjusted the said amount towards the principal with credit to Capital Reserve.
- 6 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 3,33,509 lakhs from Financial Creditors till July 20, 2022 and after verification admitted a sum of Rs 3,33,493 lakhs as claims of Financial creditors having books balance of Rs 2,89,412 lakhs 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 27,011 lakhs out of which Rs 4997 lakhs has been rejected and Claim of Rs 22,014 Lakhs has been admitted 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 June 30, 2022.
- 7 The finance cost on borrowing including Non - Convertible Debenture issued by Company has been calculated till October 21, 2021 (CIRP admission date).
- 8 Outstanding ECB borrowing as per books USD 641.27 lakhs as on June 30, 2022 has been reinstated at an exchange rate of 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.

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2022

- 9 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:
- 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;
 - transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - 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;
 - the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.
- 10 As required by Clause 52(4) of the Listing Obligations and Disclosure Requirements Regulations 2015, given below are the details pertaining to the Company:

Particulars	Quarter Ended		Year Ended
	30-06-2022	30-06-2021	31-03-2022
Net worth (Rs. in lakhs)	(1,19,759)	(78,521)	(1,05,965)
Debt equity ratio*	(2.51)	(4.57)	(2.95)
Debt service coverage ratio (DSCR) (Refer Note 5 above)	(34.92)	0.22	(0.95)
Interest service coverage ratio (ISCR) (Refer Note 7 above)	-	0.32	(1.07)
Outstanding Redeemable Preference Share (Quantity & Value)	Not Applicable	Not Applicable	Not Applicable
Capital Redemption Reserve/Debt Redemption Reserve	Not Applicable	Not Applicable	Not Applicable
Net Profit After Tax (Rs in lakhs)	(13,743.12)	(6,752.60)	(34,853.18)
Earning Per Share (in Rs.)	(15.35)	(7.54)	(38.92)
Current Ratio (Current Assets/Current Liabilities)	0.30	0.41	0.31
Long Term Debt to Working Capital	(0.85)	(1.33)	(0.89)
Bad Debts to Account Receivable Ratio (Bad Debts/Trade Receivable)	-	0.00	0.00
Current Liability Ratio (Current Liabilities/Total Liabilities)	0.94	0.76	0.94
Total Debts to Total Assets (Borrowings/Total Assets)	0.78	0.76	0.77
Debtors Turnover (Sale of Finished Goods/Average Debtors)	1.92	1.36	6.01
Inventory Turnover (Sale of Finished Goods/Average Inventory)	1.56	0.87	4.76
Operating Margin (%) ((EBIT and exceptional item less other income)/revenue from operations)	(0.22)	(0.29)	(0.24)
Net Profit Margin (%) (Net Profit for the period/Revenue from Operations)	(0.22)	(0.16)	(0.17)
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			

- 11 The Company had reported losses during previous quarters/years. Hence, the net worth of the Company has substantially eroded. There is strain on the working capital and operations of the Company and its undergoing significant financial stress. As stated in Note No. 1, CIRP was initiated in respect of the Company w.e.f October 21, 2021. The Company has assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial results have been prepared on a going concern assumption basis as per below:
- The Code requires the RP to, among other things, run the Company as a going concern during CIRP.
 - 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.

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2022

- 12 As a part of the CIRP, the RP has appointed BDO India LLP for conducting transaction audit as per section 43, 45, 50 and 66 of the Code.
- 13 As part of the ongoing CIRP process the RP has appointed, two (2) independent valuers to conduct the valuation of the assets of the Company and assets collateral held as securities as required under the provisions of the Code.
- 14 The figures for the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2022 and the published unaudited (with limited review) year to date figures upto third quarter ended 31st December, 2021 which were subject to limited review.
- 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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Sanjay Somany
(Chairman & Managing Director)
DIN: 00124538
Date : August 11, 2022
Place : New Delhi

(Power of the Board are suspended from the Insolvency Commencement date)

For HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED
TAKEN ON RECORDS



Girish Siriram Juneja
(Resolution Professional)
Date : August 11, 2022
Place : Mumbai

