



HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.

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

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

CIN - L26109WB1946PLC013294



SEC/SE/221

14th February, 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 14th February, 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 of Board of Directors held with the Resolution Professional today, i.e. 14th February, 2022, the Un-Audited Financial Results of the Company for the quarter and nine months ended 31st December, 2021 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.

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 12.30 P.M. and concluded at 2.30 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 and Year to Date 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 and nine months ended 31st December, 2021 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 14th February, 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 express a conclusion 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", as 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 of interim financial information consists of making inquiries, primarily of persons 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 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.

Basis of Qualified Opinion

4. We draw attention to -
 - a. Note No. 5 & 6 of the financial results, regarding appropriation of Rs. 55,002 lakhs as at September 30, 2021 by the Lead Banker against outstanding loan balances, consequent adjustment by the management and interest calculations thereon in absence of any proper documentation from the individual lenders. The Resolution Professional has admitted claims for Rs. 3,27,028 lakhs from the Financial Creditors till January 26, 2022 against book balance of Rs. 2,90,669 lakhs as on December 31, 2021 and claim of Rs. 7,723 lakhs from the financial creditors is under verification. Claim of Rs. 15,345 lakhs from Operational Creditors is under verification by the Resolution Professional. Pending reconciliation of admitted claim from financial creditors with books of accounts, the company has not accounted for the difference which has consequent impact on the results for the quarter and nine months ended December 31, 2021.
 - b. Note no. 7 of the financial results, regarding the non-accounting of interest of Rs. 3,849 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. 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. 74.3025 per USD as on December 31, 2021 resulting in accounting of excess exchange loss of Rs. 296 lakhs in the books of accounts which has consequent impact on the result for the quarter and nine months ended December 31, 2021.
- d. Note no. 10 of 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. 2,27,312 lakhs and Equity being Rs. (66,154) lakhs) as at December 31, 2021, 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.
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.

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: 14th February, 2022
UDIN: 22312309ABZRM1240

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: 14th February, 2022
UDIN: 22068756ABZUPU9736

HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED
REGISTERED OFFICE: 2 RED CROSS PLACE, KOLKATA - 700001
CIN: L26109WB1946PLC013294

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER 2021

Rs. In Lakhs

Particulars	3 Months ended			Nine Months Ended		Year Ended
	Unaudited	Unaudited	Unaudited	Unaudited		Audited
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
Revenue						
I. Revenue from operations	58,474	49,355	52,162	1,50,325	1,30,658	1,89,895
II. Other income	198	1,387	235	1,886	636	1,158
III. Total income (I+II)	58,672	50,742	52,397	1,52,211	1,31,294	1,91,053
Expenses						
Cost of materials consumed	18,816	16,326	16,009	51,407	43,763	60,527
Changes in inventories of finished goods and work-in-progress	6,867	(4,174)	799	(5,661)	(8,611)	(2,671)
Employee benefit expenses	5,278	5,356	5,291	15,752	15,775	20,514
Power and fuel expense	24,347	21,916	17,679	65,868	51,619	71,532
Depreciation and amortization expenses	2,951	2,977	3,184	8,964	9,995	13,447
Finance costs	1,315	5,155	5,248	11,625	16,096	21,048
Other expenses	9,298	9,008	11,511	27,031	27,622	37,070
IV. Total expenses	68,872	56,564	59,721	1,74,986	1,56,259	2,21,467
V. Loss before tax (III-IV)	(10,200)	(5,822)	(7,324)	(22,775)	(24,965)	(30,414)
VI. Tax expense:						
(1) Current Tax	-	-	-	-	-	-
(2) Deferred Tax	-	-	-	-	-	-
(3) Income Tax for Earlier Years	3	(3)	-	-	-	-
Total Tax expense	3	(3)	-	-	-	-
VII. Loss for the period after Tax (V-VI)	(10,203)	(5,819)	(7,324)	(22,775)	(24,965)	(30,414)
VIII. Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurement gains/ (losses) on defined benefit plans	(70)	(70)	(4)	(211)	(11)	(281)
Income tax thereon	-	-	-	-	-	-
Other comprehensive income for the period	(70)	(70)	(4)	(211)	(11)	(281)
IX. Total comprehensive income for the period (VII+VIII)	(10,273)	(5,889)	(7,328)	(22,986)	(24,976)	(30,695)
Paid-up equity share capital (face value per share Rs 2/- Other equity)	1,791	1,791	1,791	1,791	1,791	1,791
X. Earnings per equity share (EPS)						
(1) Basic & Diluted	(11.39)	(6.50)	(8.18)	(25.43)	(27.88)	(33.96)

Notes:

- The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated 21st October, 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 IBB/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 Committee of Creditors (CoC) by its order dated December 28, 2021. Further NCLAT vide its order dated 18.01.2022 vacated the stay on the formation of COC., thereafter at the 1st Meeting of the Committee of Creditors of the Company held on Jan 28th 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 April 01, 2022.
- 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 5th July, 2016, have been prepared by the management, reviewed by the Audit Committee and approved in the meeting of Directors chaired by RP held on Feb 14, 2022. The RP has relied upon the certifications, representations and statements made by the Directors, CFO and KMP's of the company in relation to these financial results and does not have personal knowledge of the past affairs, operations and finances of the Company. Managing Director of the Company have signed the financial statements, The RP has taken on record the above Financial Results, solely for the purpose of compliance and discharging the duty during the CIRP period of the Company in accordance with the provisions of the code read with regulations and rules thereunder. The Statutory Auditors have carried out a limited review of the above results.
- The Company has one operating business segment viz. manufacturing and selling of container glass bottles and all other activities are incidental to the same.

SANJAY SOMANY

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REGISTERED OFFICE: 2 RED CROSS PLACE, KOLKATA - 700001
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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER 2021

- 4 The management has considered internal and certain external sources of information upto the date of approval of the financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets.
- 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 31st December 2021, no appropriation is done or adjusted in the books of accounts.
- 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 334767 lakhs from Financial Creditors and after verification admitted a sum of Rs 327028 lakhs as claims of Financial creditors having books balance of Rs 290669 lakhs. An amount of Rs 15.81 lakhs has been rejected and the balance amounts are under verification. RP is still in the process of collating and verifying claims received from the various classes of operational creditors totalling to Rs 15587 lakhs out of which Rs 242 lakhs has been rejected and remaining amount of Rs 15345 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 claims admitted, the impact of such claims, if any, that may arise has not been considered in the preparation of the aforesaid financial results as on December 31, 2021.
- 7 The finance cost on borrowing including Non Convertible Debenture issued by company for the Quarter and Nine months ended has been calculated till 21st October (CIRP admission date) and accounted accordingly on account of moratorium u/s 14 of the IBC 2016
- 8 Outstanding ECB borrowing as per books USD 641.27 lakhs as on December 31, 2021 has been reinstated at an exchange rate Rs 74.7635 per USD being rate as prescribed in www.fbiil.org.in as on October 21, 2021 being date of admission for CIRP
- 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:
 - 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.
- 10 The company is incurring losses since financial year 2012-2013 which has eroded its net worth completely. Based on the positive outlook RP alongwith management towards the growth of the company & its ability to continue as a going concern in the foreseeable future, the financial results for the Quarter and Nine months ended 31st December 2021 have been prepared on going concern basis in line with the objective of the IBC and requirements thereunder. The RP and management is making all out efforts to improve revenues and profitability and has taken various initiatives in this regard. In view of the RP and management, the going concern assumption considered for the preparation of financial results has not been vitiated.
- 11 The Code on Social Security, 2020('Code') relating to employee benefits, during employment and post-employment, received Presidential assent on September 28, 2020. The Code had been published in the Gazette of India and subsequently, on 13th November 2020, draft rules were published. However, the date on which the Code will come into effect has not been notified and the rules for quantifying the financial impact are yet to be framed. In view of this, impact of this Code on the Company can only be determined when it comes into effect.
- 12 In terms of the provisions of regulations 54(2) of SEBI (LODR) Regulations, Non-Convertible Debentures issued to IJC 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.
- 13 Figures of the previous quarters/periods have been regrouped / re-arranged wherever considered necessary.

For HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

For HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

TAKEN ON RECORD

SANJAY SOMANY Digitally signed by
SANJAY SOMANY
Date: 2022.02.14
13:38:33 +05'30'

Sanjay Somany
(Managing Director)
DIN: 00124538
Date : 14th February, 2022
Place : New Delhi

GIRISH S JUNEJA

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JUNEJA
Date: 2022.02.14 13:47:20
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Girish Siriram Juneja
(Resolution Professional)
Date : 14th February, 2022
Place : Mumbai

