



## 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/029

August 9, 2018

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 Sirs,

Sub: Outcome of the Board Meeting held on 9<sup>th</sup> August, 2018 and disclosures under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that the Board of Directors of the Company at its meeting held today, i.e. 9<sup>th</sup> August, 2018, *inter-alia*, have approved the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2018.

We are enclosing a copy of the approved Results alongwith the Limited Review Report of the Statutory Auditors, M/s. Doshi Chatterjee Bagri & Co. LLP, Chartered Accountants, for your information and records.

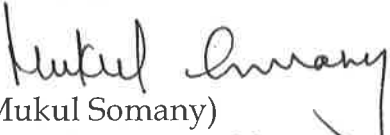
The extracts of Unaudited Financial Results of the Company shall be published in the newspapers as per Regulation 47(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and would be also available on the website of the Company [www.hngil.com](http://www.hngil.com).

The meeting commenced at 4.30 P.M. (IST) and was concluded at 08.15 P.M. (IST).

This is for your information and records.

Thanking You,

Yours sincerely,  
For Hindusthan National Glass & Industries Ltd.

  
(Mukul Somany)  
Vice Chairman & Managing Director

Encl: As above.

## Limited Review Report

**The Board of Directors**  
**Hindusthan National Glass & Industries Limited**  
**2 Red Cross Place,**  
**Kolkata – 700 001**

1. We have reviewed the accompanying statement of “Unaudited Financial Results” of Hindusthan National Glass & Industries Limited (“the Company”) for the quarter ended on 30<sup>th</sup> June 2018 (“the Results”) being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 and has been initiated by us for the purpose of identification.
2. This statement which is the responsibility of the Company’s Management and approved by the Board of Directors, 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 thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are 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 have not reviewed the accounts of 3 units viz., Sinnar, Puducherry and Rishikesh of the company. These units have been reviewed by another firm of Chartered Accountants and the Reports have been forwarded to us which have been duly dealt with while preparing this report.
5. a) Revenue from Operations of the Company is declining down over the years. However, at the same time, the operating expenses are increasing. The finance cost is also going up on a year to year basis. As such, the company is incurring losses for last six years starting from Financial Year 2012-13. The net worth of the company has totally eroded resulting in negative Earnings per Share.  
b) Credit Rating of company’s Long Term Bank Facilities, Long Term/Short Term Bank Facilities and Non-Convertible Debentures- Series-III is ‘D CATEGORY- ISSUER NOT COOPERATING.’  
c) The Lenders had restructured the Term Loans with certain stipulations with effect from December 2014. The company had defaulted in repayment of principal and interest thereon to the Lenders for quarters ended 30 June 2018 and 31 March 2018 and part of quarter ended 31 December 2017. The total amount of default on account of principal and interest aggregate to Rs. 23,327.53 lakhs. The Lenders have also levied penal interest and other charges amounting to Rs. 243.76 lakhs on the above for which no provision has been made in the accounts. Letter of credit amounting to Rs.5,360.55 lakhs has also not been paid. The Lenders had suggested restructuring / reorganizing



measures as well as asked for further Rating Reports of Debt by two external agencies in March 2018.

- d) During the current quarter, the lenders have asked for some additional measures, actions and substantial revision in the One Time Settlement offer proposed by the company. It has also asked for fresh valuation of Assets and Enterprise by two Valuers in May 2018.
- e) Last meeting between the Company and Consortium of Lenders was held on 4 August 2018.
- f) We have not received the Credit Rating Reports on Debt mentioned in point (c) and Valuation Reports mentioned in point (d) above and Minutes of last meeting mentioned in point (e) as aforesaid either from the Company or from the Lenders.
- g) With the present position of cash flows along with the projections submitted by the company to the lenders, the company is and may not be able to meet its repayment obligations to its lenders and/or payment obligation to its creditors in full/part.

In our opinion based on the above, the company does not appear to be a going concern.


6. Attention is also drawn to the following notes of the accompanying results:

- a) As stated in Note No.4 of the accompanying financial results, no provision for entry tax amounting to Rs. 2,059 lakhs and interest thereon has not been made by the Company pending determination of the final leviable amount.
  - b) To Note No.6 of the accompanying financial results, due to inadequacy of profit, managerial remuneration to the extent of Rs. 1,818 Lakhs upto 31<sup>st</sup> March 2018 has exceeded the limits laid down in the Companies Act, 2013. In absence of Central Government's approval for the same, we are unable to ascertain the impact and comment upon the same.
7. Based on our review conducted as above, except for the matters described in paras 5 and 6 above, nothing has come to our attention that causes us to believe that the accompanying statements of unaudited financial results read with the notes thereon, prepared in accordance with the aforesaid Indian Accounting Standards and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which is to be disclosed, or that it contains any material misstatement.

Date: 9<sup>th</sup> August 2018  
Place: Kolkata



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

  
Mridula Jhunjunwala  
Partner  
Membership No.056856

**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 2018**

Rs. In Lakhs

Particulars	3 MONTHS ENDED			YEAR ENDED
	Unaudited	Audited	Unaudited	Audited
	30/06/2018	31/03/2018	30/06/2017	31/03/2018
<b>Revenue</b>				
I. Revenue from Operations	56,683	53,794	51,189	198,061
II. Other Income	246	(414)	793	510
<b>III. Total Income (I+II)</b>	<b>56,929</b>	<b>53,380</b>	<b>51,982</b>	<b>198,571</b>
<b>Expenses</b>				
Cost of Materials Consumed	15,765	15,019	15,013	58,970
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	3,849	4,316	2,598	8,125
Employee Benefit Expenses	4,914	4,917	5,093	19,968
Excise duty on sale of goods	-	-	5,328	5,327
Power and Fuel Expense	20,195	18,053	15,662	65,068
Depreciation and Amortization Expenses	3,868	3,847	4,272	16,093
Finance Costs	6,363	6,286	6,168	25,185
Other Expenses	8,011	8,846	4,539	29,650
<b>IV. Total Expenses</b>	<b>62,965</b>	<b>61,284</b>	<b>58,673</b>	<b>228,386</b>
V. Profit/(loss) before exceptional items and tax (III-IV)	(6,037)	(7,904)	(6,691)	(29,815)
VI. Exceptional Items - Profit/(Loss)	9,517	-	-	-
VII. Profit/(loss) before tax (V+VI)	3,480	(7,904)	(6,691)	(29,815)
VIII. Tax expense:				
(1) Current tax	-	-	-	-
(2) Income Tax for Earlier Years	-	(364)	-	(364)
(3) Deferred tax	-	-	-	-
<b>Tax expense</b>	<b>-</b>	<b>(364)</b>	<b>-</b>	<b>(364)</b>
IX. Profit/(Loss) for the year after Tax (VII-VIII)	3,480	(7,540)	(6,691)	(29,451)
X. Other Comprehensive Income/(Expense)				
A Items that will not be reclassified to Profit or Loss				
Re-measurement gains/ (losses) on defined benefit plans	14	110	(19)	53
Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-
	14	110	(19)	53
B Items that will be reclassified to Profit or Loss				
Income tax relating to items that will be reclassified Profit or Loss	-	-	-	-
Other comprehensive income/(expense) for the year, net of tax before share of Profit/(Loss)	14	110	(19)	53
XI. Total Comprehensive Income/(Expense) for the period (IX+X)(Comprising Profit/ (Loss) and Other Comprehensive Income/(Expense) for the period)	3,494	(7,430)	(6,710)	(29,398)
Paid-up equity share capital (face value per share Rs 2/-)	1,791	1,791	1,747	1,791
Reserve excluding revaluation reserves as per balance sheet of previous accounting year				12,874
XII. Earnings per equity share (EPS) (Not Annualised)				
(1) Basic	3.89	(8.54)	(7.66)	(33.36)
(2) Diluted	3.89	(8.54)	(7.66)	(33.36)
Number of shares used in computing earnings per share				
(1) Basic	89,553,565	88,291,318	87,338,565	88,291,318
(2) Diluted	89,553,565	88,291,318	87,338,565	88,291,318



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Notes:

- 1 The above financial results which have been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 9th August, 2018.
- 2 These Financial Results have been prepared in accordance with the Indian Accounting Standards (IND-AS) notified under Companies (Indian Accounting Standards) Rules 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules 2016 and other recognised accounting practices and policies.
- 3 The Company has one operating business segment viz. manufacturing and selling of container glass and all other activities are incidental to the same.
- 4 The Hon'ble Supreme Court vide its order dated 11th November, 2016 has upheld the constitutional validity of levy of Entry Tax. This is being given effect to by the various state governments subject to follow up decisions before various judicial forums and appropriate authorities and the amount of said levy is yet to be determined. Accordingly, the same has not been recognised by the company. Once the levy is fully quantified, the amount on overall basis will be determined and provided for. According to present estimates the amount is Rs. 2059 Lakhs (excluding amount of interest, if any, there against).
- 5 The Company is incurring losses since Financial Year 2012-2013 which have resulted in reduction of net-worth. Due to depressed market demand and resultant adverse financial performance, the lenders had restructured the term loans w.e.f. December 2014 and laid stipulations thereof which among other things included moratorium in repayment of installments, infusion of equity by Promoters in various periods and fresh valuation of its assets by a Valuer registered with Institute of Valuers. The company has paid Principal for the quarter ended September 2017 and interest thereon till October 2017. However Principal for the quarters ended December 2017, March 2018 and June 2018 and interest (comprising interest on Term loan and cash credit) for November / December 2017 to June 2018 aggregating to Rs. 23327.53 Lakhs have not been paid. Letter of Credit and interest for November / December 2017 to June 2018 aggregating to Rs. 5360.55 Lakhs has also not been paid on due dates. Penal interest and other claims aggregating to Rs. 243.76 Lakhs has also not been paid. Subsequently, the lenders have asked for fresh projections of profitability and consequent repayment of loans. The company has submitted such projections to the lenders which are under consideration. The company and its promoters are in the process of regularising the above situations. Considering the ameliorative measures taken by the company, expected improvement in the performance of the Company over a period of time and its asset coverage, the accounts of the Company have been prepared on a going concern basis.
- 6 The remuneration paid to Chairman and Managing Director & Vice Chairman and Managing Director amounting to Rs 606.00 Lakhs for each of the financial years ending 2017-18, 2016-17 & 2015-16 has exceeded the limits prescribed under the provisions of Companies Act, 2013 due to inadequacy of profit. The Company has made an application before the Central Government and necessary approvals in this respect are awaited. Pursuant to Board Meeting held on 12th February 2018, the Chairman and Managing Director & Vice Chairman and Managing Director have been appointed for a period of 3 years with effect from 1st April 2018 on an honorary basis till the default in repayment of principle and interest to the Banks & Financial Institution is rectified.
- 7 Exceptional items amounting to Rs. 9517 lakhs for the quarter ended 30th June 2018 is profit derived by the company on account of disinvestment of its holdings (11.23%) in HNG Float Glass Limited, a Joint Venture of the Company.
- 8 Previous periods' figures have been regrouped/rearranged wherever necessary.

Place : Kolkata  
Date: 9th August 2018



For & on behalf of the Board of Directors

  
(Mukul Somany)  
Vice Chairman and Managing Director  
DIN : 00124625

