



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/060

November 14, 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 14th November, 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. 14th November, 2018, *inter-alia*, have approved the Unaudited Financial Results as per Ind AS for the quarter & half-year ended 30th September, 2018.

We are enclosing a copy of the approved Results along with the Limited Review Report of Statutory Auditors of the Company 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.

We are enclosing the Certificate received from the Debenture Trustee under Regulation 52(5) of the SEBI listing obligations and Disclosure Requirements) Regulations, 2015. Due to financial crunch, the Company is not in a position to pay the interest on 10.40% NCD due on 23.11.2018.

The meeting commenced at 12.15 A.M. (IST) and was concluded at 4.45 P.M. (IST).

Thanking You,

Your sincerely

For Hindusthan National Glass & Industries Ltd.

(Vikash Kumar Agarwal)

Company Secretary

Encl.: As above.

Limited Review Report

To
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 and half year ended on 30th September 2018 (“the Statement”) 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.
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 provide 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 financial results which indicate that the company has accumulated losses and its net worth has substantially eroded, the company has incurred operating loss 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. 199,115.85 lakhs and Equity being Rs. -303.53 lakhs) as at 30.09.2018, Realisable value of Assets is lower than amount payable to Secured Creditors, Earnings per share is negative. In our opinion, based on the above, the company does not appear to be a going concern.
5. Attention is also drawn to the following notes of the accompanying results:
 - a. Note No.7 of the accompanying financial results, for non-provision for entry tax amounting to Rs. 2,059 lakhs and interest thereon by the Company pending determination of the final leviable amount.
 - b. Note No. 10 of the accompanying financial results for managerial remuneration to the extent of Rs. 1,818 lakhs upto 31st March 2018 has exceeded the limits laid down in the Companies Act, 2013, due to inadequacy of profit. The approvals of the respective authorities are still awaited.



6. Based on our review conducted as above, except for the matters described in paras 4 & 5 above, nothing have come to our attention that causes us to believe that the accompanying statements prepared in accordance with the applicable Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013, read with the relevant rules issued there under 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.

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



Mridula Jhunjunwala
Partner
Membership No.056856

4th Floor, Systron Building
Plot J5, Block EP & GP
Sector V, Salt Lake,
Kolkata - 700091
Date: 14th November, 2018



For J K V S & CO
(Formerly Jitendra K Agarwal & Associates)
Chartered Accountants
Firm Registration No.308186E



Abhishek Mohta
Partner
Membership No.066653

5A, Nandlal Jew Road
Kolkata – 700026

Date: 14th November, 2018



HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED
REGISTERED OFFICE: 2 RED CROSS PLACE, KOLKATA - 700001
CIN: L26109WB1946PLC013294
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2018

Rs. In Lakhs

Particulars	3 MONTHS ENDED			HALF YEAR ENDED		YEAR ENDED
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	30/09/2018	30/06/2018	30/09/2017	30/09/2018	30/09/2017	31/03/2018
Revenue						
I. Revenue from Operations	58,108	56,683	43,078	114,791	94,267	198,061
II. Other Income	140	246	58	386	851	510
III. Total Income (I+II)	58,248	56,929	43,136	115,177	95,118	198,571
Expenses						
Cost of Materials Consumed	18,337	15,765	14,461	34,102	29,474	58,970
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(624)	3,849	(2,060)	3,225	538	8,125
Employee Benefit Expenses	5,066	4,914	4,897	9,980	9,990	19,968
Excise duty on sale of goods	-	-	-	-	5,328	5,327
Power and Fuel Expense	24,163	20,195	14,532	44,358	30,194	65,068
Depreciation and Amortization Expenses	4,004	3,868	4,028	7,872	8,300	16,093
Finance Costs	6,382	6,363	6,308	12,745	12,476	25,185
Other Expenses	8,801	8,011	8,032	16,812	12,571	29,650
IV. Total Expenses	66,129	62,965	50,198	129,094	108,871	228,386
V. Profit/(loss) before exceptional items and tax (III-IV)	(7,881)	(6,036)	(7,062)	(13,917)	(13,753)	(29,815)
VI. Exceptional Items - Profit/(Loss)	-	9,517	-	9,517	-	-
VII. Profit/(loss) before tax (V+VI)	(7,881)	3,481	(7,062)	(4,400)	(13,753)	(29,815)
VIII. Tax expense:						
(1) Current tax	-	-	-	-	-	-
(2) Income Tax for Earlier Years	-	-	-	-	-	(364)
(3) Deferred tax	-	-	-	-	-	-
Tax expense	-	-	-	-	-	(364)
IX. Profit/(Loss) for the year after Tax (VII-VIII)	(7,881)	3,481	(7,062)	(4,400)	(13,753)	(29,451)
X. Other Comprehensive Income/(Expense)						
Items that will not be reclassified to Profit or Loss						
Re-measurement gains/ (losses) on defined benefit plans	14	14	(19)	28	(38)	53
Income tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
Other comprehensive income/(expense) for the year, net of tax before share of Profit/(Loss)	14	14	(19)	28	(38)	53
XI. Total Comprehensive Income/(Expense) for the period (IX+X)(Comprising Profit/(Loss) and Other Comprehensive Income/(Expense) for the period)	(7,867)	3,495	(7,081)	(4,372)	(13,791)	(29,398)
Paid-up equity share capital (face value per share Rs 2/-)	1,791	1,791	1,747	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	(8.80)	3.89	(8.09)	(4.91)	(15.75)	(33.36)
(2) Diluted	(8.80)	3.89	(7.89)	(4.91)	(15.36)	(33.36)
Weighted Average Number of shares						
(1) Basic	89,553,565	89,553,565	87,338,565	89,553,565	87,338,565	88,291,318
(2) Diluted	89,553,565	89,553,565	89,553,565	89,553,565	89,553,565	88,291,318

Notes:

- 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 14th November, 2018. The above results have been reviewed by joint statutory auditors of the company.
- Exceptional item amounting to Rs. 9,517 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.
- The Company has one operating business segment viz. manufacturing and selling of container glass and all other activities are incidental to the same.
- 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. 2,059 lakhs (excluding amount of interest, if any, there against).
- As required by Clause 52(4) of the Listing Obligations and Disclosure Requirements Regulations 2015, given below are the details pertaining to the Company:

(I)

Particulars	HALF YEAR ENDED	
	30/09/2018	30/09/2017
Debt Redemption Reserve	5,000	5,000
Debt Equity Ratio*	(656.01)	9.83
Debt Service Coverage Ratio (DSCR)	0.68	0.43
Interest Service Coverage Ratio (ISCR)	0.53	0.56

Formula:
Debt Equity Ratio = Long Term 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		Principal payment		Details of next interest payment		Details of next Principal payment	
				Due Date	Status	Due Date	Status	Due Date	Amount (Rs in Lakhs)	Due Date	Amount (Rs in Lakhs)
10.40% NCD	CARE D	CARE C-	1.13	23.11.2017	Paid	NA	NA	23.11.2018	1,040	23.11.2021	10,000
10.40% NCD	CARE D	CARE C-	1.13	03.02.2018	Unpaid	NA	NA	03.02.2019	1,040	03.02.2022	10,000

* Due to the current financial crunch, the company is not in a position to pay the interest on 10.40% NCD due on 23.11.2018.



- 6 The listed non-convertible debentures of the Company aggregating Rs. 20,000 Lakhs as on 30th Sept 2018 are secured by first charge ranking pari-passu on all immovable properties by way of equitable mortgage and hypothecation of all movable properties both present and future of the company.
- 7 Principal for the quarters ended December 2017, March 2018, June 2018 & September 2018 and interest (comprising interest on term loan and cash credit) for November/December 2017 to September 2018 aggregating to Rs. 35,033.34 lakhs have not been paid. Devolved Letter of credit and interest thereon for November/December 2017 to September 2018 aggregating to Rs. 6,813.82 lakhs had also not been paid. Penal interest and other claims aggregating to Rs. 243.76 lakhs have also not been paid.
- 8 The loan facilities availed by the Company have been recognized as stressed account by the lenders under the new RBI guidelines issued vide circular no. DBR No, BP/BC:101/21.04.04R/2017-18 dated 12.02.2018. Accordingly, a Resolution Plan/ Compromise Offer for settlement of dues comprising Term Loan principal outstanding, Fund based Working capital outstanding etc., have been devised via memorandum of understanding (MOU) dated 27.08.2018. The entire resolution plan needs to be completed within 90 days from the date of execution of MOU. The company shall give effect of resolution plan in the financial statement after completion of all the formalities in relation to the resolution plan which is under process.
- 9 The Company is incurring losses since Financial Year 2012-2013 which have resulted in reduction of net-worth substantially. With the approval of resolution plan and the positive outlook of the management towards the growth of the company and its ability to continue as a going concern in the foreseeable future, the financial statements for the half year ended 30th September 2018 have been prepared on going concern basis.
- 10 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 principal and interest to the Banks & Financial Institution is set right.

11 STATEMENT OF ASSETS AND LIABILITIES

	Rs. in Lakhs	
	Unaudited	Audited
	As at 30/09/2018	As at 31/03/2018
ASSETS		
Non-current assets		
(a) Property, plant and equipment	214,303	214,422
(b) Capital work-in-progress	10,763	12,462
(c) Intangible assets	180	210
(d) Financial assets		
(i) Investments	168	3,627
(ii) Loans	-	-
(iii) Other financial assets	2,414	2,276
(e) Other non-current assets	774	825
	228,602	233,822
Current assets		
(a) Inventories	44,412	48,502
(b) Financial assets		
(i) Investments	-	-
(i) Trade receivable	37,416	39,460
(ii) Cash and cash equivalents	33,990	681
(iii) Bank balances other than (ii) above	101	81
(iv) Loans	23	26
(v) Other financial assets	335	1,208
(c) Current Tax Assets (Net)	463	331
(d) Other current assets	9,970	7,430
	126,710	97,719
Total assets	355,312	331,541
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	1,791	1,791
(b) Other Equity	8,501	12,874
Total equity	10,292	14,665
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	163,433	164,759
(ii) Other financial Liabilities	334	330
(b) Provisions	1,114	1,013
(c) Deferred tax liabilities (Net)	-	-
(d) Other non-current liabilities	849	712
	165,730	166,814
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	63,791	59,753
(ii) Trade payables	42,396	45,451
(ii) Other financial liabilities	64,256	37,369
(b) Other current liabilities	7,935	6,788
(c) Provisions	912	701
	179,290	150,062
Total liabilities	345,020	316,876
Total equity and liabilities	355,312	331,541

12. Previous periods' figures have been regrouped/rearranged wherever necessary.

Place : Kolkata
Date: 14th November, 2018

For & on behalf of the Board of Directors

(Sanjay Somany)
Chairman and Managing Director
DIN : 00124538



