



## HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.

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

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CIN - L26109WB1946PLC013294



SEC/SE/364

August 21, 2023

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: **Submission of Integrated Annual Report 2022-23 & the  
Notice of 77<sup>th</sup> Annual General Meeting (AGM)**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report 2022-23 of the Company along with the Notice of 77<sup>th</sup> AGM to be held on Tuesday, 12<sup>th</sup> September, 2023 at 11:30 a.m. (IST), through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

The Integrated Annual Report for the Financial Year 2022-23 and the Notice of 77<sup>th</sup> AGM has been sent to the Shareholders electronically who have registered their email IDs on 19<sup>th</sup> August, 2023. The same is also available on the Company's website [www.hngindia.com](http://www.hngindia.com).

This is for your information and records.

Thanking you,

Yours faithfully,

**For Hindusthan National Glass & Industries Limited**

*Pritha Bose*  
**(Pritha Bose)**  
**Company Secretary**

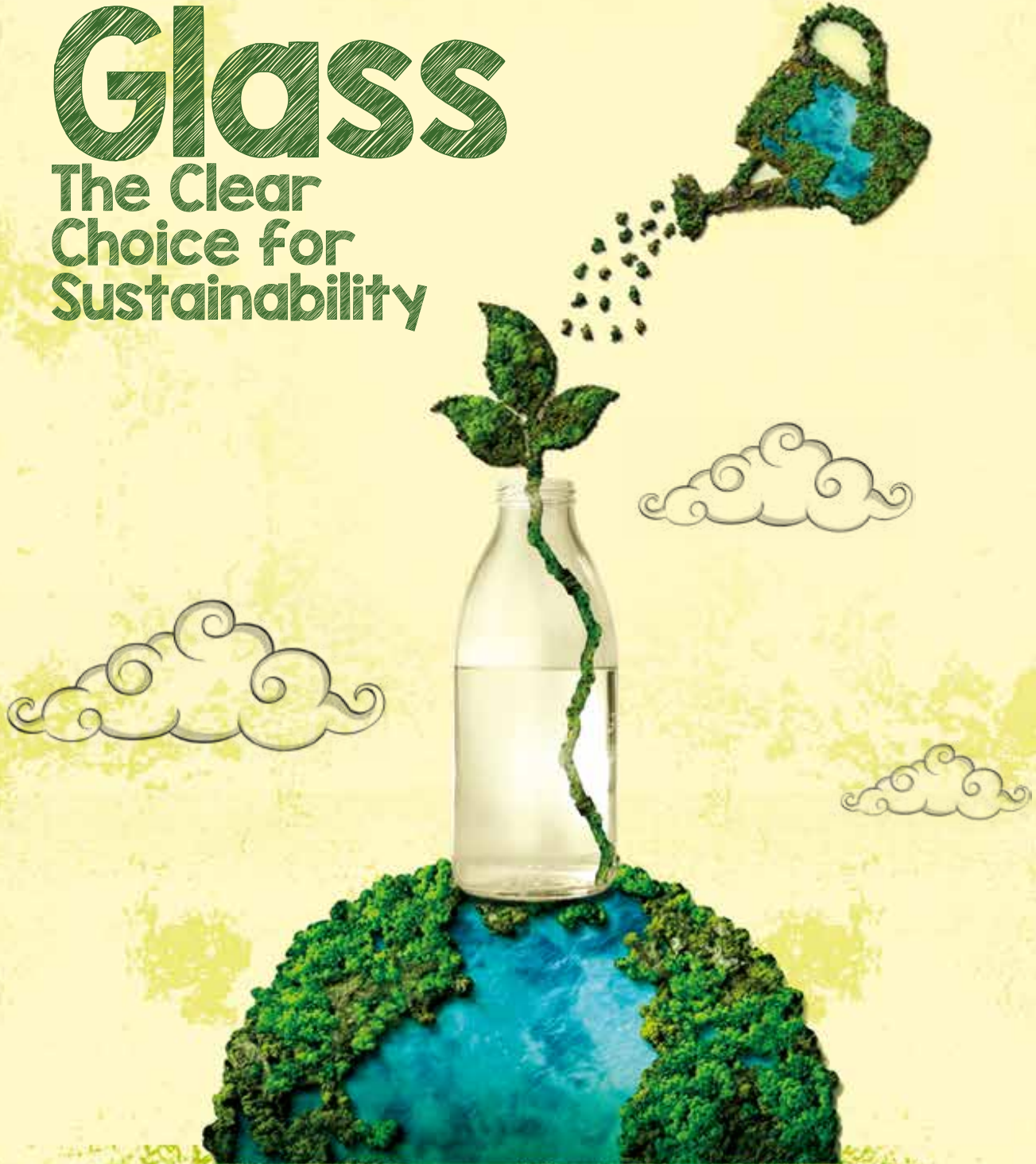


Encl.: As above.



# Glass

The Clear  
Choice for  
Sustainability

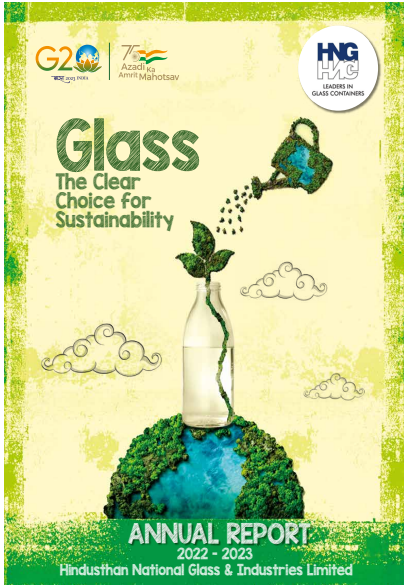


## ANNUAL REPORT

2022 - 2023

Hindusthan National Glass & Industries Limited





### Forward looking statements

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe that we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



This Annual Report is available online at [www.hngil.com](http://www.hngil.com)

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## Directors' Profile (As on 31<sup>st</sup> March, 2023)

### ● **Shri Sanjay Somany (DIN: 00124538)**

Shri Sanjay Somany, aged 65 years, is the Director of the Company. Having gained more than three decades of experience in glass industry, Shri Somany has led the evolution of HNG to the forefronts of technological excellence. A Commerce Graduate, Shri Somany, also holds a diploma in diesel engineering. Previously, he has also held a post of notable positions in industrial bodies, such as the President of All India Glass Manufacturers' Federation. At HNG, Shri Somany is member of the Treasury Management Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee.

#### **Directorships held in Other Companies (as on 31.03.2023)**

- Spotlight Vanijya Limited
- Mould Equipment Limited
- Khazana Marketing Private Limited
- Brabourne Commerce Private Limited
- Spotme Tracon Private Limited
- The All India Glass Manufacturers' Federation

### ● **Shri Mukul Somany (DIN: 00124625)**

Shri Mukul Somany, aged 58 years, is the Director of the Company. Being a second- generation entrepreneur, he holds more than 31 years of experience in the glass industry. He holds a Bachelors of Commerce (Hons.) degree. In the past, he has held reputed posts in the industry federations, notably being the President of All India Glass Manufacturers' Federation (AIGMF), Executive Committee Member of Eastern Region Confederation of Indian Industry (CII) & Member of CII National Council. He was the Ex-Chairman, Eastern Region of CII and also a Member of the Bengal Rowing Club. At HNG, Shri Somany is a member of the Audit Committee, Treasury Management Committee, Stakeholders' Relationship Committee and Chairman of Corporate Social Responsibility Committee.

#### **Directorships held in Other Companies (as on 31.03.2023)**

- Spotlight Vanijya Limited
- Mould Equipment Limited
- Rungamattee Trexim Private Limited
- Saurav Contractors Private Limited
- Brabourne Commerce Private Limited
- All India Glass Manufacturers' Federation
- Indian Chamber of Commerce, Calcutta



## Directors' Profile (As on 31<sup>st</sup> March, 2023)

### ● **Shri Ratna Kumar Daga (DIN: 00227746)**

Shri Ratna Kumar Daga, aged 83 years, is an Independent Director of the Company. He has vast experience in the field of engineering and finance. During his tenure as the Chairman of Indian Institute of Materials Management, Kolkata, the professional body made significant strides in its activities. Calcutta Junior Chamber was adjudged the best unit in India under his Presidentship. He then headed a three-member team to Sri Lanka to conduct leadership development courses. As a President of Federation of Small and Medium Industries (FOSMI), he led a business delegation comprising 15-member team to Singapore, Malaysia and Hong Kong. He holds a Post Graduate degree in Business Management from the UK. He is the Honorary Secretary of Satyanand Yoga Kendra (Kolkata Branch) of Bihar School of Yoga. At HNG, Shri Daga is the Chairman of the Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and member of Treasury Management Committee.

### **Directorships held in Other Companies (as on 31.03.2023)**

- Trutools (India) Private Limited
- LSI Financial Services Private Limited
- Indo Financiers Private Limited
- NT Estates and Investments Private Limited
- Innovative Impex Private Limited

### **Smt. Rita Bhimani (DIN: 07106069)**

Smt. Rita Bhimani is the Founder-CEO of Ritam Communications, a Corporate Public Relations Consultancy firm. A Master's degree holder in Journalism from the University of Georgia, U.S.A, Rita Bhimani is one of the veterans of the Public Relations profession where she has spent 50 years. She was nominated to the Board of Directors of the International Public Relations Association, a worldwide body of PR professionals, and was the Chairman of its Education and Research Committee in which capacity she conducted workshops around the world on Educating the PR Educators – in Helsinki, Toronto, Melbourne and Mumbai. She has authored three books on Public Relations – The Corporate Peacock – New Plumes for Public Relations, FACE up! Tenets, Techniques Trends, of Public Relations in the 21st Century, and PR 2020: The Trending Practice of Public Relations, released in 2018, with a foreword by Dr. Shashi Tharoor. In the same year, a coffee table book authored by her titled The Calcutta School of Music: Symphony Centenary commemorating 100 years of the CSM was released by the Governor of West Bengal. Her fifth book Sampa Das; Golden Muga Revivalist, a coffee table book, was released during the pandemic in 2020. She is a prolific columnist for mainline dailies and magazines. She is a soft-skills trainer and is frequently invited to speak at conferences on HR, PR and Marketing in Bangladesh. She is a well-known anchorperson for industry meets and book releases and a speaker at professional conferences. She was a visiting faculty member at the Pailan School of International Studies where she teaches for three-year degree course in Media Studies. She was commissioned by the Ministry of External Affairs, Public Diplomacy Division, to do a documentary on Raja Rammohan Roy. She was the creative producer of this film, which was directed by award winning film maker Goutam Ghose. It premiered at the Nehru Centre, London. Smt. Rita Bhimani is Vice President of the Ananda Shankar Centre for Performing Arts. She was nominated to the Hall of Fame by the Public Relations Council of India in Bangalore and the Public Relations Society of India, an association with which she is still closely associated and has held various offices, conferred on her the PRSI Leadership Award at the National Conference in 2016. In 2019, the Association of Shipping Interests in Calcutta conferred on her the Women Achiever Award for "her 50 years of invaluable contribution to the Corporate World." At HNG, she is member of the Corporate Social Responsibility Committee and Nomination and Remuneration Committee.

### **Directorships held in Other Companies (as on 31.03.2023)**

- Asian Hotels (East) Limited.
- Robust Hotels Private Limited.

## Directors' Profile (As on 31<sup>st</sup> March, 2023)

- **Shri Amal Chandra Saha (DIN: 00443348)**

Shri Amal Chandra Saha was born on 02.04.1940. He was educated in the two best colleges of Bengal at that time; Belur Ramkrishna Mission Vidya Mandir and Calcutta Presidency College. He stood 3rd in order of merit in the University of Calcutta in 1959 in Intermediate Arts and graduated in 1961 with honours in Economics from Presidency College, Calcutta. He joined State Bank group in 1964 as a Probationary Officer and was allotted to State Bank of Saurashtra which at that time was a subsidiary of State Bank of India. He served for 28 years in State Bank of Saurashtra, in various capacities and finally became Deputy General Manager in that Bank. At that point of time Shri Amal Chandra Saha was deputed by Central Government to work as General Manager in UCO Bank. The idea was to strengthen the top management of UCO Bank. Shri Amal Chandra Saha worked in that Bank as General Manager for 3 & ½ (Three and half) Years from 1992 to middle of 1995. After that he changed over to Private sector. First he worked as Managing Director of M/s. Khaitan Lefin Pvt Ltd., an NBFC in Sree Krishna Khaitan Group for about 3 years. Then he worked as Financial Advisor to Mr. Subhas Chandra, Chairman of ZEE TV Group of Companies for 6 years from middle of 1999 to middle of 2005. At HNG, he is an Independent Director and also a member of Audit Committee and Nomination and Remuneration Committee.

### **Directorship held in Other Companies (as on 31.03.2023)**

- LSI Financial Services Private Limited.



## Management Discussion & Analysis Report

### WORLD ECONOMY

The global economy encountered significant challenges in 2022, characterized by weak growth prospects, elevated inflation, and increased uncertainties. However, there were tentative signs in early 2023 that the world economy could achieve a soft landing, mainly due to resilient household spending in developed economies. Although inflation has decreased as central banks raised interest rates and food and energy prices have dropped, underlying price pressures remain stubborn, and labour markets remain tight in several economies.

Despite some indications of improvement, global growth is projected to slow down, reaching its third weakest pace in nearly three decades, with only the recessions of 2009 and 2020 overshadowing it.

### INDIAN ECONOMY

Policymakers worldwide currently find themselves in a predicament. Over the past two years, the global economy has been struggling to deal with overlapping crises, with the latest being liquidity troubles following a series of global bank crises.

The World Bank now fears that the ongoing slump in global economic growth will likely result in a “lost decade.” Despite this gloom, many market analysts believe that this could well be India’s decade. There are enough reasons and data to back this claim. Recent data revisions by India suggest the economy has fared better than previously believed, despite continuing global uncertainties. The International Monetary Fund (IMF) expects India to grow by 5.9% in FY 2023–24 and by an average rate of 6.1% over the next five years.

While betting on consumption-driven growth is obvious; given India’s large, young, and rising share of the upper middle-income population (with a high propensity to spend), it is believed that investment will play an important role over the next two years. It is investments that will provide India with necessary momentum to embark on a path of sustained domestic demand-led growth for decades to come.

India is on track to become the world’s third largest economy by 2027, surpassing Japan and Germany. India is gaining power in the world order, and these changes imply a once-in-a-generation shift and an opportunity for investors and companies. India’s GDP could more than double from \$3.5 trillion today to surpass \$7.5 trillion by 2031.

### Container Glass Industry – Present & Future

The global container glass market size stood at 63.4 USD billion in 2022 and is anticipated to reach USD 78.4 billion by 2026 at a CAGR of 5.46%. The global glass market is predominantly driven by the increasing demand for Alcoholic Beverages, Food and Pharmaceutical. Asia-Pacific excluding the Japan (APEJ) has the largest demand market, followed by Europe and the Americas. In terms of production too, APEJ is the major producer and exporter of glass containers followed by Europe.

The Asia-Pacific region is expected to register a significant growth rate compared to other nations owing to an increase in demand for pharmaceutical, alcoholic drinks and chemical industries, which prefers glass packaging because of the inert nature of glass bottles. China, India, and Australia among others are the prominent nations majorly contributing to the growth of the Asia Pacific glass packaging market.

Russia - Ukraine War & COVID-19 Pandemic- The “shock” of the war was one of the main factors that had slowed economic growth in 2022 to just 3.1% from expected 5% and it is projected to slow to 2.2 percent in 2023. Headline inflation increased from 2.6% in 2021 to 8.4% in 2022. Russia- Ukraine war has led to elevated energy prices and raw material cost. Supplies from Ukraine has halted whereas with Global sanctions and ban on purchase from Russia has worsened the business economics. Various sanctions are imposed on Russian gas, Crude Oil, Coal, Russian bank, swift transaction, Russian Ships etc. EU, USA and allies gradually phased out import of crucial goods from Russia and want other nations to align with their strategy. Most Private multi-national companies pulled out and disengaged with Russia. This all has led to supply chain disruption of crucial goods of glass industry. Although the world and manufacturing industries have learnt to continue production in COVID pandemic, its business impact is still being felt with intermittent waves such as the one that hit China in end of 2022.

Revenue of the global food industry was 8.27 trillion USD in 2021, which increased to around 9 trillion dollars in 2022 an increase of over 700 billion USD. Food revenue worldwide will continue to increase and reach around 11.1 trillion USD in 2027. Glass packaging growth trend in Cosmetic and Fragrance segment has again got revived. Pharmaceuticals segment witnessed remarkable growth and it is expected to portray CAGR of 5.5% to 6% from 2022 to 2030. Due to increase in severity

## Management Discussion & Analysis Report

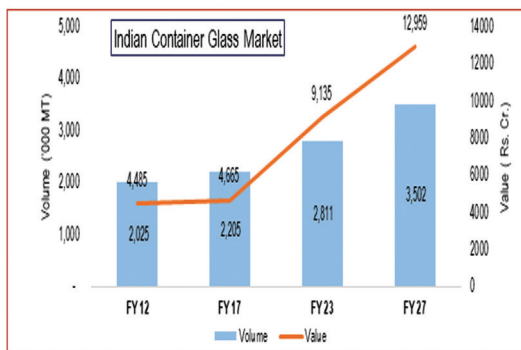
of diseases there is upsurge in adoption of container glass for storage and packaging of pharmaceuticals.

Premium Food & Beverage brands mostly prefer container glass over other packaging options such as plastics, as glass is sustainable, chemically inert, non-porous and impermeable.

Some of the factors of Container Glass Industry which limits the growth perspective are volatile prices of Energy and Raw materials, Higher Logistics costs, Issues of Breakage and Growing use of Alternate Packaging like Plastics, Paper, and Flexible packaging etc.

### Indian Container Glass Industry

Due to COVID pandemic, Total size of India container glass Market shrunk by approx. 15% in FY21. Thereafter, market recovered, and revenue touched Rs 9,135 Cr in FY23. The Growth of the Indian Container Glass Market will be very robust in the coming 6-7 years owing to limited addition of new capacity and more demand for container glass segment coming from



both domestic as well as export markets.

The Indian Domestic Container Glass Market can be broadly divided into the following segments:

- Liquor
- Beer
- Food & Dairy
- Pharmaceuticals & Vials
- Soft Drinks
- Others

**Demand Supply Gap & Growth Projection:** Indian Glass Industry is expected to grow at 5.65% CAGR volume-wise to reach 12,959 Cr by FY 27. **The present market demand for container Glass in the domestic Market is approx. ~28 Lac MT.**

Current running capacities are in tune of **39 Lacs MTPA** whereas total installed capacity in India is approximately **49 Lac MTPA**. There is no further addition to capacity are planned as all the players are adopting a cautious approach towards capacity expansion due to bitter experience in the past which led to abnormally high excess capacity. Among all container glass players, **HNG** capacity is highly underutilized due to poor furnace condition.

In view of upsurge in container glass demand in the upcoming years with no further capacity addition, HNG is well placed to cater to rising market demand once furnaces are repaired.

The Indian Container Glass market is primarily driven by Growth from Customer segments. As a result, production capacities are strategically established in specific geographical areas to effectively cater to the demand generated by these customer segments. Also, the specialized capabilities play a crucial role to cater to production requirement of each segment.

- **Liquor segment** (including Whiskey, Gin, Brandy, Rum, Vodka and Wine) is the largest demand market for container glass in India. Many container glass manufacturers are supplying more than 95% of bottles to the liquor segment.
- **Beer & Soft Drink segment** require specialized production capabilities, which are only available with a few players in the industry. Both these segments have substantial demand for colored bottles in Amber, Green and Blue. Such colored bottles require specialized technology, which is available with only a few players. The beer segment is expected to have CAGR of 8.17% till 2027 whereas container glass demand from Soft Drinks Segment is expected to experience exponential growth going forward as companies like Coca Cola & Pepsi are switching from alternate packaging to Glass in order to meet their global commitment to sustainability. Given this trend, Beer & Soft Drink present bright opportunities for HNG to increase its sales.
- **Zonal Concentration:** The production capacities of container glass are strategically installed, taking into account factors such as proximity to raw materials and market demand. As a result, the installed capacity in the North and West regions is higher, while the South and East regions have comparatively lower installed capacities. HNG is the only container glass





## Management Discussion & Analysis Report

player with a pan-India presence, which provides the company with a competitive advantage in catering to pan-India market demand.

- **Food and Pharma** segment surge is expected to continue. The Indian government increased allocation to the health sector from Rs 86,200 Crore in the last fiscal year to 89,155 Crore in the current 2023-24 fiscal year will further boost Pharma segment.
- **Exports Market:** The Exports Market for Container Glass is estimated to be **approx.~4 Lac MT**. The demand for container glass is projected to experience exponential growth due to two main factors: India's cost advantage and the shifting demand of foreign players from China to alternative sources. **The Glass Segment manufactured in specific COSMETIC quality furnaces is expected to see robust growth.**

**By 2029-30 the demand** from the export Market of container glass is expected to touch **~10 Lac MT with HNG** in a strong position to take the maximum share from this incremental demand.

- **Profitability** of the container glass player is critically dependent upon crude oil prices and raw material Cost which hit the roof and adversely impacted glass industry in FY23 specially till Sep-22.

### New Opportunity- Stringent Plastic Recycling Norm, demand for sustainable packaging, Plastic Ban in Pharmaceutical, Pharmaceutical Industry Growth & Light Weight Bottle etc

#### Extended Producer Responsibility for Plastic Packaging

The Ministry of Environment has notified the Guidelines on Extended Producer Responsibility for plastic packaging. The Guidelines stipulates mandatory targets for minimum level of recycling. The year-wise target is as below:

The EPR target for plastic packaging made from compostable plastic is 100% from 2023-24. EPR is applicable for rigid plastic packaging, Single or Multi-Layer flexible plastic packaging, Multi-Layer Plastic packaging and Plastic sheet or like used for packaging as well as compostable plastic carry bags.

YEAR	TARGET %
2024-25	30-50
2025-56	40-60
2026-27	50-70
2027-28 ONWARDS	60-80

This stringent norm imposed on plastic producers is a big opportunity for glass industry in India as customers are expected to switch from plastic to glass for substantial packaging quantity to meet their packaging requirement as this norm may lead to dearth of plastic supply.

#### Demand for Sustainable Glass Packaging

Besides increasing awareness about the hazards of using alternate packing like PET/Plastic bottles among the public as well as among the government institutions, this Pandemic of COVID-19 has also showcased glass as the best suited sustainable packaging alternative to various segments producing health and wellness products.

- There is drastic increase in demand for glass bottles for the Soft Drinks segment. Both Coco Cola & Pepsi are globally and in India are moving towards glass and reducing PET Consumption. There is scope to achieve a 10% volume shift from PET to glass in the near future, and HNG would aim to capture 60% of this additional volume.
- Liquor Packaging being a state subject opens a big market for Glass Packaging. Recently UP, Chhattisgarh have restricted usage of PET in Liquor Packaging. Many states are also contemplating restricting PET Usage to stop spurious Liquor. If all the non-glass option in state liquor are converted to glass, there is potential of additional Volume of ~12 Lac MT p.a..
- The proposed regulation of plastic ban on Pharma Liquid formulations will open new market for Glass Industry and incremental demand from above action from would be approx. 3 lacs MT p.a.
- There is also movement in the Food & Milk segment with brands preferring glass over other packaging's.

#### Challenges

1. **Russia- Ukraine War:** Disruption to two major trade routes, Russia and Ukraine, along with subsequent sanctions imposed on Russia by different economies, had a major impact on global supply chains. Russia and Ukraine are the key suppliers of raw materials that run the worlds of oil, gas energy and metallurgical industries. The Russia-Ukraine lingering

## Management Discussion & Analysis Report

war has halted supplies from Ukraine, and trading with Russia has also become challenging which has made energy and raw material prices volatile. This is heavily impacting crude oil and raw material prices related to glass industry intermittently.

This might enforce container glass industry to increase bottle price depending on business economics.

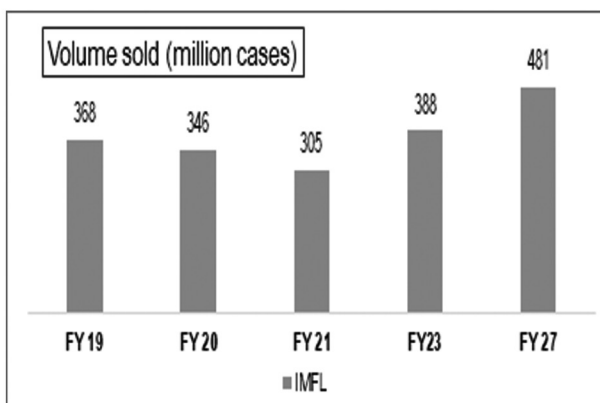
2. **Soda Ash** Prices skyrocketed in FY-22 and this trend continued till Jul-22. From Aug'22 though price saw gradual drop but always remained very high due to global logistics challenges and high domestic demand. It's price is not showing any sign of substantial drop in immediate future. Soda Ash constitutes more than 60% of raw material cost and with such immensely high price; glass industry production cost is hitting the roof.
3. Uncertainty in **Crude Oil** prices and its direct impact on Power and Fuel cost in Glass industry - Brent crude oil price rose from 37.5 \$/bbl. in Oct20 to 66.5 \$/bbl. (in Apr-21). However, during FY22 it saw **continuous leapfrog jump** and skyrocketed to **115.6 \$/bbl.** in May22 due to Russia-Ukraine war. In FY23 the price has fluctuated several times and over the past 8 month it has been hovering around **85 \$/bbl.** price going up and down frequently. This is true for all other grades of crude Oil as well. Glass industry being energy-intensive industry, it is posing serious challenges for the coming times as well.
4. **Indian Rupee** has depreciated significantly during in FY22-23 due to Russia-Ukraine war and US Federal reserve rate hike. It reached value of Rs 81.9/ USD in Apr'23 from Rs 76.5/ USD in Apr'22. It has direct bearing on the import of all chemicals and commodities.

### Threat

1. Threat from alternate packaging like PET, Multilayer Brick, Metal Cans, etc.
2. Threat from increasing regulations like ban of use of furnace oil
3. Domestic Soda Ash players – All the Major Soda Ash Players keep filing for Anti-Dumping Duty (ADD) imposition against soda ash Imports. Soda is one of the key ingredients for glass bottle production and any imposition of ADD & Anti-subsidy will have direct impact on Company bottom line. Due to Demand supply gap the pricing policy of Soda Ash players are super profit seeking.

### Sectoral Analysis

#### Liquor



The Liquor Market is the largest demand market for container glass in India. This segment accounts for approx. ~58% of the total container glass market in India. The demand from this segment is expected to grow to ~26 Lac MT by 2029-30.

The sales of alcohol touched four-year high by the end of this fiscal, rising 12% to 388 million cases as compared to previous year. Industry is on the road to recovery with demands increasing in all the key segments of whisky, brandy, rum, gin and vodka. Liquor segment is expected to have 6.53% CAGR for upcoming 7 years.

The market, specially for premium products across categories, saw a sharp recovery in 2022 after a slump during the covid-19 pandemic. The premium portfolio now accounts for a fifth of all whisky sold in the country. Consumer are shifting to the

higher price tittle. The growth last year, however, was slower than 2021 which saw a 15% expansion on low base.

Diageo, the maker of Johnnie Walker and McDowell's whisky, saw its sales rise by 34% in Q1-23 over the last year, net profit increase of 91.2 % in Q2 with sustained Q2 revenue year on Year Basis. While their rival Pernod Ricard, maker of Absolut vodka and Chivas Regal Scotch, said sales grew by 17% in H1 FY23. For Bacardi India, which sells Bacardi rum and Dewar's Scotch, India is the most important emerging market Bacardi is focusing on.

## Management Discussion & Analysis Report

Sales of whisky, which account for two-thirds of the overall market, grew 11% despite a high base while sales of brandy, the second biggest category expanded 11%. Rum and Vodka sales grew 18% and 25%, respectively, and gin sales surged 65%, although on a low base.

In India, there has never been issue from a demand point of view, but it has suffered in the past due to either supply issues, changes in taxation or route-to-market models. In 2022, there was no supply side disruptions which helped sales momentum. However, for most companies, reversal in Delhi’s liquor excise policy impacted sales. Consumers are experimenting and even white spirits are growing strong. The premiumisation story and growth is going quite robust and it is expected that fundamental growth trend will continue.

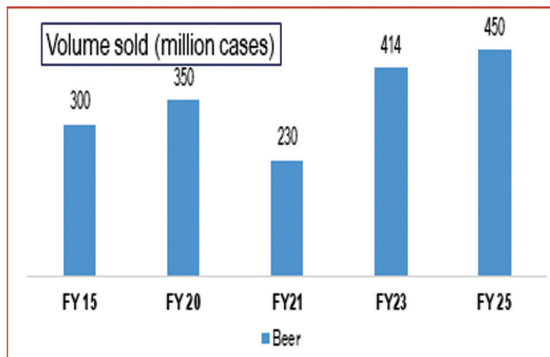
While in-home consumption of liquor increased during the pandemic, sales of alcoholic beverages in bars and restaurant reach pre-covid 19 levels for the first time in two years. With rising income, people have moved towards drinking better and premium and frequent social occasions ensure high volumes as well.

There is a tilt toward innovative offerings and premium products. As the pandemic pushed people to live it up, they were ready to embrace quality and experimentation. The industry also responded to this sentiment with ready-to-drink beverages, new flavour profiles or even smarter packaging with mixers or accessories. The emergence of Indian craft gins earlier and now the RTD segment is witnessing brand launches with diversified offerings.

Taxation and duties (which vary in every state) in India is on an average between 65% and 80% of the product price, the highest in the world and the time is high that taxes are reduced.

Share of glass packaging in IMFL is expected to increase due to following factors.

- 1) Premium segments which constitute more than 40% of IMFL volume uses 100% glass packaging. The share of this segment is expected to grow to 67% of volume by 2027 and hence the overall share of glass packaging in IMFL will also increase.
- 2) In the Mass/ Popular segment, the share of glass bottles has reduced due to emergence of cheap alternate PET bottles. However, revenue leakages and ill effects on health are forcing state governments to turn back to glass packaging in liquor in phased manner.



### Beer

The Beer Segment is one of the largest segments for the Indian Container Glass Market. With increase in the average temperatures in India and global warming, the consumption of beer is expected to increase drastically in the coming years. The Total Beer (New Glass Bottles) market in 2022-23 stood at ~ 6 lac MT. The share of HNG could have been higher if the three colored furnaces (under shutdown) were available with HNG. The Beer Market (New Bottles) is expected to almost double in the next 6-7 years to ~11 lac MT.

Beer Sales have surged this year after a two-year gap due to the pandemic. Beer sales have risen for the first time in two years after the Covid-19 pandemic hit the country. They said that sales in FY23 have been exceptional after having plummeted in 2020, when Covid first hit India. The beer market is expected to grow at a CAGR of 8.17

% between 2023-2027.

Heineken India (United Breweries) Q2 FY23 revenue was up by 11.5% to Rs 3,673.5 Cr from 3,294.7 Cr in the corresponding period in the previous fiscal and Q3 saw growth of 2%. Brewer Anheuser-Busch InBev (AB InBev) expects India to be among the top three markets for Budweiser in the next three years, led by double-digit growth in the premium beer segment. Danish brewing major Carlsberg India witnessed a “strong recovery” in the first half of 2022 as its business grew 50 per cent during the same period.

Beer companies are on tenterhooks as there seems to be no respite for India’s beer industry as costs of raw materials trend north and state governments continue to increase taxes. Indeed, it’s becoming a struggle for the industry to stay afloat and continue to remain profitable amidst the high excise duty on beer.

## Management Discussion & Analysis Report

Brewers across the country are grappling with a plethora of issues, including a host of regulatory concerns and MRP linked to state taxes new rules related to licensing, pricing, manufacturing processes, operating facilities, marketing, advertising, and distribution. It is important to note that beer in India is taxed according to volume and not alcohol strength as is the case elsewhere.

The lockdown and subsequent changes in various policies related to distribution and opening saw changes in consumption and sales patterns. Consumption patterns, too, saw a shift with consumers diversifying their choices and expanding their palate horizons. This has also resulted in a sharp rise in demand for premium offerings.

However, looking ahead to the summer, there is optimism as the price of barley which is key input cost for Beer has been on decline since Jan '23 which will boost beer industry financials.

South India accounts for the largest market share of the India beer market due to hot weather condition. North India and Western India are expected to be the fastest growing markets. Drinking in bars is fast becoming a social phenomenon in Metro and Tier 2 cities and same is leading to increased beer consumption. Besides, the rising number of pubs and bars are another factor which increase beer consumption.

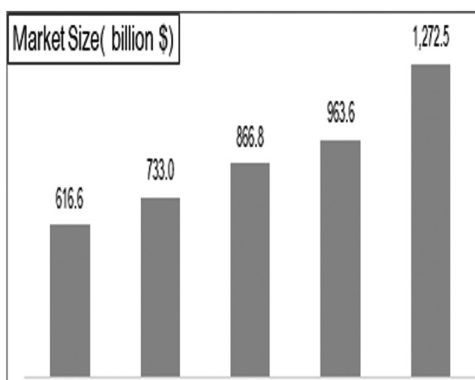
New players have also entered the vibrant Indian market. One of the most prominent global names to mark its entry into India is Brew Dog. The carbon-negative Scottish craft brew brand currently has three outlets in the country, two in Mumbai and one in Delhi-NCR, and expansion plans are underway in full swing. Coopers is now available in the Indian beer market, following the South Australian brewery securing a new distributor. All Leading companies are increasing their manufacturing footprints to ensure product availability to its customer and increase in their market share.

The potential for beer growth in India is strong with emergence of Craft Beer. the Indian craft beer industry is at budding stage and has a share of 2-3% in India's beer market. Craft beer volume is expected to rise at 108.6% whereas its sales are expected to see a hype of 20% which is more than 5-7% in the beer. B9 Beverages & Simba is leading player in this segment. Japanese beverages group Kirin Holdings has increased its stake in B9 Beverages, the maker of Bira 91 beer, close to 20% from 10% by investing an additional ₹570 crore in the company, valuing the beer maker at \$550-600 million post the fundraise. The fresh funding indeed boosted Bira 91's confidence and growth plan.

Share of glass packaging in Beer is quite high i.e., ~ 85% and is likely to continue in the future also. Reuse of Old bottles are likely to reduce going forward as the market is mainly led by MNC players. Increase in Manufacturing footprints leads to Increased creation of Glass pool, which ultimately increased Glass bottle demand.

### Food

The Food & dairy Segment accounts for ~3 Lac MT of the total Container Glass Market in India. This market is projected to grow to around ~5 Lac MT. If there is underutilized capacity available, HNG can increase its supply to this segment



The Indian food industry is continued its growth trajectory and reach \$963.6 bn value in FY23, a 11.2% increase year-over-year despite the significant growth of 9.75% in FY22.

Statistics show the Indian food industry is expected to continue growing at brisk pace. It is expected to grow at CAGR of 7.23% between 2023-2027. HUL FY23 3<sup>rd</sup> Quarter, revenue rose by 16.2% YOY whereas during Q2 revenue growth stood at 14.1%. For Q3-FY23, Nestle India's revenue up by 14.2% year on year basis and in Q2-FY23, revenue jump happened by 17.6%.

The India food processing market size reached INR 25,455 billion in 2022. Looking forward, IMARC Group expects the market to reach INR 45,345 billion by 2028, exhibiting a growth rate (CAGR) of 9.5% during 2023-2028.

The Government has allowed 100% Foreign Direct Investment (FDI) in food processing and single-brand retail and 51% in multi-brand retail. The Government of India (GoI) has acknowledged the food processing sector as a high-priority industry and is currently promoting it with various fiscal reliefs and incentives. It is undertaking multiple efforts to encourage investments in the sector. It is also approving proposals for industrial licenses, joint ventures (JV), foreign collaborations, and export-oriented units. Besides this, the Government has introduced an investor-friendly portal, known as Nivesh Bandhu, which integrates Central and State Government incentives and policies for all stakeholders operating in the food processing sector. The online food ordering business in India is witnessing an exponential





## Management Discussion & Analysis Report

growth. **The Government's 'Atmanirbharat Bharat' initiative places** priority on this sector and offers support through various policies. By 2025, India's food processing sector is expected to be worth over half a trillion dollars.

Evolving consumer preferences, rising income, growing rural opportunity, digital channels & E-commerce, Improved Retail chain and customer preference for home delivery has given further impetus to this segment. Indian food aggregator platforms Swiggy and Zomato are now in the top ten e-commerce food delivery companies. Zomato already is listed company now whereas Swiggy is gearing up for an IPO expectedly by Sep-23. Indian e-commerce market is expected to reach US\$ 120 billion by 2026 from US\$ 38 billion in 2021.

In 2021 Rs 10,900 Cr PLI scheme got approved for the food processing. The government has sanctioned 37 food parks funded under the Mega Food Parks Scheme, 22 are operational and 15 are under implementation. These initiatives by Union Cabinet are boosting growth in this sector.

The Indian organic food market has also seen a surge with a market size touching \$1238 million in 2022, which was just about \$200 million in 2018, as per the report, and is likely to grow at a CAGR of 22% during 2022-2028 and will reach a value of US\$ 4,082 Million by 2028.

The Indian dairy market attained a value of USD 203.3 Bn in 2022 as per IMARC, driven by the food and beverage industry. As per government website Investing India, it is expected to reach value of USD 314 Bn by 2026, exhibiting at a CAGR of 11.5% during 2022-2026. Along with offering profitable business opportunities, the dairy industry in India serves as a tool of socio-economic development. The private participation in the Indian dairy sector has also increased over the past few years. Both national and international players are entering the dairy industry, attracted by the size and potential of the Indian market. The focus is being given to value-added products such as cheese, yogurt, probiotic drinks, etc. These players are also improving their milk procurement network which is further facilitating the development of the dairy industry in India.

Share of glass packaging in food segment is ~ 10% and in dairy is ~15% and is not expected to change significantly in future, though it is the most preferred choice for premium milk shakes, yogurts and flavoured milk. Government is pushing the food processing segment aggressively and taking all needful measures to provide impetus to this segment. This will ultimately lead to increase in Glass bottle demand. COVID-19 pandemic impact has further grown awareness for usage of glass packaging in health products.

### Pharmaceuticals

The demand of container glass from the Pharmaceuticals & Vials Segment is approx. **~1.50 Lac MT**. The Government of India are considering restrictions on alternate packaging in some segments of this sector. This could lead to much higher demand from the segment. With the present trend of increase in demand for the segment, it is expected that by 2029-30 the demand would increase to ~2.50 Lac MT

Currently, the Indian pharmaceutical market is valued at around \$50 billion, out of which almost \$25 billion constitutes the export market. The domestic market at a CAGR of 12% will touch \$130 billion by 2030 and out of which over 60% will only be exports. Indian pharmaceutical exports have recorded an impressive growth of around 5% in 2022. Despite having global challenges, export volume was over \$25 billion in the biggest market, which means about 30% of exports are going to the US. India's pharmaceutical market grew by 8% year-on-year to ₹1.8 lakh crore in 2022, mostly driven by price increases even as volumes remained muted.

India's pharmaceutical sector has emerged as a life sciences leader within the post-pandemic order. The government is also developing new strategies to strengthen the sector which has led to the creation of innovation hubs making India an ideal.

The Indian pharmaceutical industry ranks third globally in pharmaceutical production by volume and is known for its generic medicines and low-cost vaccines. India is a major exporter of Pharmaceuticals, with over 200+ countries served by Indian pharma exports. India supplies over 50% of Africa's requirement for generics, ~40% of generic demand in the US and ~25% of all medicine in the UK. India also accounts for ~60% of global vaccine demand, and is a leading supplier of DPT, BCG and Measles vaccines. 70% of WHO's vaccines (as per the essential Immunization schedule) are sourced from India. The pharmaceutical industry in India is expected to reach \$65 bn by 2024. Sun Pharma FY23 - Q3 revenue rose by 20.7% YoY whereas in Q2 it jumped by whopping 27.6%. Dr Reddy Laboratories had revenue jump of 12% and 27.3% in FY22- Q3 and Q2 respectively.

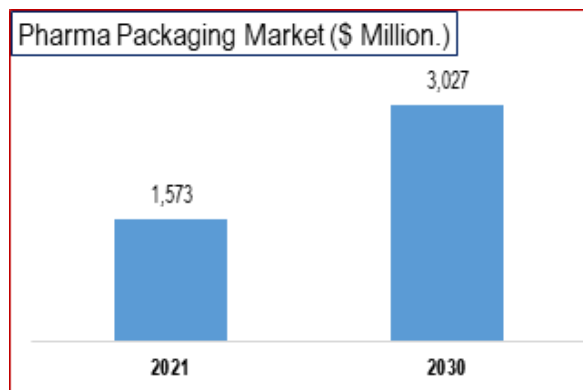
## Management Discussion & Analysis Report

Government has introduced a US\$2 billion incentive program which will run from 2021-22 to 2027-28 to foster an **Atmanirbhar Bharat** by enhancing the R&D, make in India product development, high-value production capabilities, import substitution and domestic manufacture of active pharmaceutical ingredient (API).

In terms of the global market, India currently holds an accountable share and is known as the pharmacy of the world and as the biggest generic supplier. India gained its foothold on the global scene with its innovatively engineered generic drugs and active pharmaceutical ingredients (API). Growth in other fields notwithstanding, generics are still a large part of the picture. India is the largest provider of generic drugs globally.

According to the Economic Survey, a significant raw material base and availability of a skilled workforce have enabled India to emerge as an international manufacturing hub for generic medicines. Further, India is the only country with the largest number of US-FDA compliant pharma plants outside of the USA.

India's cost of production is significantly lower than that of the US and almost half of that of Europe. It gives a competitive edge to India over others. Increase in the size of middle-class households coupled with the improvement in medical infrastructure and increase in the penetration of health insurance in the country will also influence in the growth of pharmaceuticals sector.



India's pharmaceutical exports totalled \$25.4 bn in FY23, a shade better than the previous fiscal value of \$24.6 bn but short of the \$27 billion target as headwinds, including impact of the Russia-Ukraine war, hampered the pace of growth.

The India pharmaceutical packaging market was valued at \$1573 million in 2021 and is projected to reach \$3027 million by 2030 at a CAGR of 7.5% from till 2030 driven by growth in pharma industry and its need for bulk drugs, formulations, Vaccine, and trial drug packaging.

Share of glass packaging in liquid formulations is still high given potential risks of storing medicines in plastic bottles.

However, overall share of glass packaging came down from 34% in 2009 to around 20% and is further expected to fall in future until government brings some regulation to curtail plastic usage in Oral formulations and Suspensions due to plastic ill effect. Some glass players in India are optimistic about phasing out of plastic usage.

### Soft Drinks

The container glass demand from Soft Drinks Segment is expected to experience exponential growth going forward as companies like **Coca Cola & Pepsi are switching from alternate packaging to Glass** owing to their global commitment towards sustainability and SDG Goals. Already 200 ML PET has been converted 100% into glass. The present Demand for container glass in the Soft Drinks Segment is approx. **~0.65 Lac MT**. Based on the present trend the demand is **expected to reach ~1.00 Lac MT** by the year 2025. This demand can increase even more if the market stays with the present trend.

Consumers' changing preferences, coupled with innovations in product packaging and sizing to improve affordability, has led to a rise in the consumption of non-alcoholic beverages in the country. India's non-alcoholic beverages market may expand at a compound annual growth rate of 8.7% to reach Rs1.47 trillion by 2030. In 2019, the size of the overall beverages market that includes carbonated soft drinks, juices, bottled water, and fruit-based beverages was ₹67,100 crore.

While carbonated soft drinks (CSDs), ready-to-drink teas (RTDs), energy drinks, and sports drinks accounted for more than 60% of the global market, in India, carbonated beverages are the most popular, followed by bottled water, fruit beverages, and juices. However, the report pointed to a shift in consumption patterns, indicating that CSDs are growing at a lower rate, while consumption across segments such as packaged water, sports drinks, and tea and coffee-based drinks is increasing. Between 2010 and 2019, India's non-alcoholic beverages market grew at 14.5% in terms of total sales volume, and 13.72% in terms of total sales value. The market size was valued at \$12.15 billion in 2019 compared to \$3.5 billion in 2010.

Existing companies are diversifying their product portfolio and many startups and small and medium-sized enterprises have entered this sector in the last 10 years. The survey found that 35% of the companies have introduced new products in the Indian market, which include zero-sugar or sugar-free products and other products like tea and coffee-based drinks, and organic drinks.

## Management Discussion & Analysis Report

### Cosmetics

The Indian beauty and personal care (BPC) market is the 8th largest in the world with a total value of \$15 Bn and is growing at ~10%, as reported by Euromonitor International study. Online sales are also expected to grow by 18.2% in the next few years. The study further suggests that the market is expected to double by 2030 with skin care and cosmetics driving this growth.

Despite having the same demographic advantage as China, the size of the Indian market is 1/5th the size of the Chinese BPC market, primarily due to lack of penetration outside metros and tier 1 cities. This offers the Indian industry significant headroom to scale. As the sector grows, there will be several structural shifts that will influence the shape of demand and impact growth strategies in the sector.

The online BPC market in India expanded significantly in the last few years driven by a steep increase in e-commerce adoption. If you look at fashion with the size and scale that the fashion market has in India, it is the third largest market in the world and a lot of it is unorganised, but it has shifted. At the beginning 80-85 per cent of the market is unorganised but it is getting very rapidly organised. India's Tata Group is planning to open at least 20 "beauty tech" stores where it will use virtual makeup kiosks and digital skin tests to convince young, wealthy customers to buy high-end cosmetic products.

Emergence of online retail, rising awareness of beauty products, increasing premium on personal grooming, changes in consumption patterns, lifestyles and improved purchasing power among women are expected to boost the industry. The market will maintain healthy growth due to rising preference for specialised cosmetic products such as organic, herbal and Ayurveda products. Principal areas that are expected to grow include colour cosmetics, fragrances, specialised skin care and make-up cosmetics.

India is likely to overtake some of the European markets and become fifth largest in the world very soon.

### Others

The General Market for Container Glass for Household and other usage **accounts for approx. ~1 Lac MT**. This market is expected to grow to **~2.00 Lac MT by 2029-30**

**Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with the detailed explanations. The key financial ratios are as below: -**

### Management Discussion and Analysis Report

Ratios	2022-2023	2021-2022	Reason for Variance
(i) Debtors Turnover Ratio	7.59	6.01	Due to increase in Sales and increase in realisations of Trade Receivables as compared to previous year.
(ii) Inventory Turnover Ratio	5.77	4.76	Due to increase in Revenue as compared to previous year.
(iii) Current Ratio	0.29	0.31	No Major Movement
(iv) Debt-Equity Ratio	(2.27)	(2.95)	No Major Movement
(v) Operating Profit Margin (%)	-8%	-11%	Due to increase in Net Realisation value and decrease in price of Raw Materials as compared to previous year.
(vi) Net Profit Margin (%)	-10%	-17%	Due to increase in Net Realisation value and decrease in price of Raw Materials as compared to previous year.
(vii) Details of any change in Return on Net worth as compared to the immediately previous explanation thereof.			The company has a negative net worth due to accrued Losses

## Director's Report

### *Dear Members,*

We hereby present the Annual Report together with the Audited Accounts of our business and operations for the financial year ended 31<sup>st</sup> March, 2023.

The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated October 21, 2021 had 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 an 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 (Committee of Creditors) 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 February 9, 2022, the Interim Resolution Professional Mr. Girish Siriram Juneja was appointed as the Resolution Professional (RP) and he is being supported in the CIRP by EY Restructuring LLP as the Insolvency Professional Entity.

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 March 25, 2022. RP received various Expression of Interests from different applicants and he received resolution plans on July 25, 2022. On October 28, 2022, the resolution plan submitted by AGI Greenpac Limited (AGI) has been approved by the CoC and accordingly, the RP has filed the plan for approval with the Hon'ble NCLT which is pending.

#### FINANCIAL HIGHLIGHTS\*

(in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022
Gross sales (including excise duty)	2,45,735	2,08,715
Profit before interest, depreciation and tax	-9,926	-10,914
Interest and finance charges	2,734	12,039
Profit/Loss before depreciation and tax	-12,659	-22,953
Depreciation	10,631	11,900
Exceptional Profit	-	-
Profit/Loss before tax & after exceptional profit	-23,290	-34,852
Profit/Loss for the year (Before Other Comprehensive Income)	-23,290	-34,852
Balance brought forward from previous year	-1,65,378	-1,30,951
Amount available for appropriation	-1,88,805	-1,65,378
Balance carried forward to the next year	-1,88,805	-1,65,378

\*figures have been regrouped and rounded off.

#### RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the financial year, your Company reported total income of Rs. 2,45,735 Lakhs in F.Y. 2022-23 compared to Rs. 2,08,715 Lakhs in F.Y. 2021-22. Your Company recorded an EBITDA of Rs. (9,926) Lakhs and a net loss of Rs. 23,290 Lakhs during the year under review.

The financial position of the Company continues to be under severe stress. The situation further deteriorated, due to increase in Power & Fuel and Raw Material costs. Due to paucity of funds, your Company could not do any maintenance of Capex and also failed to meet its debt obligation.

#### DIVIDEND & RESERVE

Your Directors do not recommend any dividend for the year ended 2022-23. Further, during the year under review, no amount was transferred to General Reserve.





## Director's Report

### ISSUE OF SHARES

The paid up Equity Share Capital as at 31<sup>st</sup> March, 2023 stood at Rs. 17,91,07,130 i.e. 8,95,53,565 equity shares of Rs. 2/- each. The Company has not issued shares with differential voting rights, nor has granted any stock options or sweat equity. As on 31<sup>st</sup> March, 2023, none of the Directors of the Company, hold instruments convertible into equity shares of the Company.

### SUBSIDIARY COMPANY

As on 31<sup>st</sup> March, 2023, your Company does not have any Subsidiary Company.

### TRUST SHARES

During the year, 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 the same has been adjusted towards the principal obligation of the debt. As on date an aggregate amount of Rs. 1,716.89 lakhs have been adjusted against principal obligation of debt with credit to Capital reserve.

### DIRECTORS & KEY MANAGERIAL PERSONNEL

Since the Company is undergoing Corporate Insolvency Resolution Process (CIRP) w.e.f 21<sup>st</sup> October 2021, the powers of the Directors have been suspended and such powers are vested in Mr. Girish Siriram Juneja, in the capacity of Resolution Professional.

Shri Sanjay Somany (DIN:- 00124538) was the Chairman & Managing Director of the Company. At present he is suspended as per CIRP order.

Shri Mukul Somany (DIN:- 00124625) was Vice - Chairman & Managing Director of the Company. At present he is suspended as per CIRP order.

Pursuant to Section 152(6) of the Act read with rules made thereunder and the Articles of Association of the Company, Shri Mukul Somany (DIN: 00124625), Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The (RP & Directors) recommends the re-appointment of Shri Mukul Somany as Director of the Company. A brief profile of Shri Mukul Somany along with requisite details as stipulated under Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) are provided in notice forming part of this Annual Report.

Shri Ratna Kumar Daga (DIN: 00227746), Smt. Rita Bhimani (DIN: 07106069) & Shri Amal Chandra Saha (DIN: 00443348) are the Independent Directors of the Company.

The Company has received declarations from all the Independent Directors of the Company, confirming that, they meet the criteria of Independence, as prescribed under Section 149(6) of the Companies Act, 2013. Roles, responsibilities and duties of Independent Director are uploaded on the Company's website at the link <https://www.hngil.com/uploads/11fb8c8e32c94916f244c21ae65ff3b6.pdf>

**Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, a structured questionnaire was prepared, after taking into consideration the various aspects of the Board's functioning, composition of the Board, its Committees, culture, execution and performance of specific duties, obligations and governance. The Company has devised a Policy for performance evaluation of Independent Directors and Board, which include criteria for performance evaluation of the non-executive directors and executive directors.

The performance evaluation of the Independent Directors, Chairman and the Non Independent Directors were carried out. The RP & the Directors expressed their satisfaction with the evaluation process, on the basis of recommendations from Nomination and Remuneration Committee.

The following policies of the Company are attached herewith and marked as "Annexure I":

- A. Nomination & Remuneration Policy.
- B. Board Evaluation Policy.

Smt. Pritha Bose has been appointed as the Company Secretary of the Company with effect from 27<sup>th</sup> June, 2023 and Shri Mukund Chandak had resigned with effect from 31<sup>st</sup> March, 2023 and Shri Bimal Kumar Garodia is acting as the Chief Financial Officer of the Company since 26<sup>th</sup> April, 2008 and continues to act so.

## Director's Report

The details of Key Managerial Personnel of the Company are as follows:-

SI No.	Name of Key Managerial Personnel	Designation
1	Shri Sanjay Somany	Managing Director (suspended)
2	Shri Mukul Somany	Managing Director (suspended)
3	Shri Bimal Kumar Garodia	Chief Financial Officer
4	Smt. Pritha Bose	Company Secretary & Compliance Officer

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Directors hereby confirm that –

- In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2023, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and of the loss of the Company for the year ended on that date.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a 'going concern basis'.
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, including any till date amendments, the Company has uploaded the details of unpaid and unclaimed amounts lying with it on the Ministry of Corporate Affairs website.

The Company has transferred the unpaid dividend amount for FY 2012-13 to the IEPF account. However, the linking of the amount transferred by the Bank to the MCA/IEPF account is pending due to some technical glitch. The Company is continuously communicating with the Bank/ MCA and taking steps to resolve the issue. Equity shares in respect of which, the dividend for the year 2012-13 remained unclaimed for seven consecutive years has been transferred to the IEPF Authority, in compliance with Section 124 of the Companies Act, 2013, read with rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2017, after giving individual notices to concerned Shareholders and advertisements in newspapers.

### CORPORATE GOVERNANCE

The Company has been practicing the principles of good corporate governance with a view to achieve transparent, accountable and fair management. The Report on Corporate Governance, along with the Certificate of the Auditors M/s. M. Rathi & Co., confirming the compliance of Corporate Governance, as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015, forms an integral part of the Annual Report.

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The contracts/arrangements/transactions entered by the Company, during the financial year with the related parties were in the ordinary course of business and on an arm's length basis. All the related party transactions are with the approval of the Audit Committee and are periodically placed before the RP & the directors, for review. During the year under review, the Company has not entered into any contract/arrangement/transactions with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transactions.



## Director's Report

The Policy on materiality of related party transactions and dealing with related party transactions, as approved by the Board may be accessed on the Company's website at the link: <https://www.hngil.com/uploads/c90668a5f25a922faa07d164c0a9568c.pdf>

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has been formulated and comprises of Shri Mukul Somany, (Chairman), Shri Sanjay Somany and Smt. Rita Bhimani as members. Since, the Company has suffered losses in the previous financial years as well as in the current financial year, no expenditure was incurred on CSR activities.

The CSR Policy may be accessed on the Company's website at the link: <https://www.hngil.com/uploads/93ba57f26619b9fa9dae1ca3538f3446.pdf>

### DEBT MANAGEMENT

The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated October 21, 2021 had 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 an 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 (Committee of Creditors) by its order dated October 28, 2021. Subsequently 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 voting results of which concluded on February 9, 2022, the Interim Resolution Professional Mr Girish Siriram Juneja was appointed as the Resolution Professional (RP) and he is being supported in the CIRP by EY Restructuring LLP as the Insolvency Professional Entity.

As per the CIRP timelines, the 180 days of the CIRP period (excluding 82 days of stay period) expired on July 10, 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 till October 08, 2022 under Section 12(2) of the Code and the same was approved. RP filed for further extension of a period of 30 days and the same was also approved making the last date of CIRP as November 06, 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 March 25, 2022. RP received various Expression of Interests from different applicants and he received resolution plans on July 25, 2022. On October 28, 2022, the resolution plan submitted by AGI Greenpac Limited (AGI) has been approved by the CoC and accordingly, the RP has filed the plan for approval with the Hon'ble NCLT, Kolkata bench on November 05, 2022 which is pending as on date. However, some applications have been filed with Hon'ble NCLAT, New Delhi, the outcome of same is pending till date.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis under Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations & Disclosures Requirement) Regulations 2015 has been presented in a separate section and forms part of this Annual Report.

### CONSOLIDATED FINANCIAL STATEMENTS

During the year under review, the Company has no subsidiary and/or joint venture and/or associate Company and accordingly, your Company is not required to prepare consolidated financial statements, including Form AOC-1 for F.Y.2022-23.

### RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. The Company manages and monitors various risks and uncertainties that can have some adverse impact on the Company's business. Your Company believes that managing risks helps in maximising returns. Your Company is giving major thrust in developing and strengthening its internal audit, so that risk threat can be mitigated. The Company's approach to address business risks is comprehensive and includes periodic review, mitigating controls and reporting mechanism.

Since, your Company is not among top 1000 listed companies based on market capitalization as on 31<sup>st</sup> March, 2023, constitution of Risk Management Committee is not required, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with till date amendments, However the provisions of Section 177(4) (vii) of the Companies Act, 2013 require that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board, which shall inter alia include evaluation of risk management systems. In line with above, it is therefore,

## Director's Report

required for the Company to frame and adopt a "Risk Management Policy"(this Policy) in accordance with Section 134(3)(n), 177 (4)(vii) and other applicable provisions of the Companies Act,2013, read with regulation 17(9), 21 and other applicable regulations of the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

The Company has a formal Risk Management Policy and may be accessed on the Company's website at the link <https://www.hngil.com/uploads/10250602fdfe89b1148677226c6055fd.pdf>.

### INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

Your Company has a comprehensive and effective internal control and risk mitigation system, including internal financial control, for all the major processes, to ensure reliability of financial reporting, timely feedback on operational and strategic goals, compliance with policies, procedures, law and regulations, safeguarding of assets and economical and efficient use of resources. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Company, actively reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements. The Company has a robust Management Information System (MIS), which is an integral part of the control mechanism.

### AUDITORS AND AUDITORS' REPORT

#### Statutory Auditors

The Company has following joint Statutory Auditors namely: -

M/s Lodha & Co, Chartered Accountants (ICAI Registration number 301051E), who were appointed as the Statutory Auditors of the Company, to hold office for a term of 5 (five) consecutive years from the conclusion of the 76<sup>th</sup> Annual General Meeting till the conclusion of the 81<sup>st</sup> Annual General Meeting.

M/s JKVS & Co, (Formerly M/s Jitendra K Agarwal & Associates) Chartered Accountants (Firm Registration No. 318086E), who were appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of 72<sup>nd</sup> AGM until the conclusion of the 77<sup>th</sup> AGM of the Company.

The RP and the directors at its meeting held on 8<sup>th</sup> August, 2023 has recommended the reappointment of M/s JKVS & Co, ( Formerly M/s Jitendra K Agarwal & Associates) Chartered Accountants (Firm Registration No. 318086E) as statutory auditors for the second term of 5 years (Five) years, from the conclusion of the 77<sup>th</sup> Annual General Meeting till the conclusion of 82<sup>nd</sup> Annual General Meeting to be held in the year 2028 for approval of shareholders of the Company based on the recommendation of the Audit Committee.

The Company has received written consent (s) and certificate(s) of eligibility in accordance with section 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from M/s JKVS & Co.

Further, as required under Regulation 33 (1) (d) of the SEBI (LODR) Regulations, 2015, M/s JKVS & Co, have confirmed that they have a valid certificate from the CA Institute as required under listing regulations.

#### Statutory Auditors' Report

The management response to the following qualifications / observations made in the Independent Auditors Report is stated as under:

Details of Audit Qualification:

- i. Qualification regarding Going Concern.
- ii. Qualification regarding final decision and outcome of Corporate Insolvency Resolution Process (CIRP).
- iii. Qualification regarding adjustment against outstanding loan balances.
- iv. Qualification regarding non accounting of interest post initiation of CIRP.
- v. Qualification regarding reinstatement of ECB Borrowing and related interest.
- vi. Qualification regarding set aside corpus fund by consortium lenders for meeting legal expenses.
- vii. Qualification regarding non-reconciliation of certain debit and credit balances.



## Director's Report

### Management Response

The Management/RP is of the view that they are making best efforts to achieve favorable order in ongoing litigations in order to protect the value of the 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 and he received resolution plan on July 25, 2022, On October 28, 2022 the Resolution plan submitted by AGI Greenpac Limited (AGI) has been approved by the CoC and accordingly, the RP filed the plan for approval with the Hon'ble NCLT, Kolkata Bench on November 05, 2022, which is pending as on date. In line with the objective of the IBC to run the Company as Going Concern, the financial results for the year ended 31<sup>st</sup> March, 2023 have been prepared on Going Concern basis. In view of the Management and RP, the Going Concern assumption considered for the preparation of financial results has not been vitiated. The ultimate outcome can only be ascertained after initiation of Resolution Plan.

The Statutory Auditors as well as Secretarial Auditor have stated that since the Company has defaulted in payment of interest on Non-Convertible Debentures, all the Directors are disqualified from being appointed as Director in terms of Section 164 (2) of the Act.

However, the management is of the view that based on the written representations received from the Directors as on March 31, 2023, taken on record by the RP & the directors and the legal opinion obtained by the Company from a Senior Advocate who is a Government Pleader – High Court for the State of West Bengal, none of the Directors are disqualified from being appointed as a Director in terms of Section 164 (2) of the Act.

### INTERNAL AUDITORS

During the year under review, the Company had an In-house audit team for conducting the in-house audit of the Company, which was headed by Shri Somnath Sengupta, Sr. Vice President (Management Audit), However, due to superannuation of Shri Sengupta, the audit team has been dismantled and the internal audit is outsourced.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed Shri Babu Lal Patni (F.C.S. No. 2304, C.P. No. 1321), Practising Company Secretary to conduct the Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2023, is annexed herewith and marked as "Annexure II" to this report.

### Annual Secretarial Compliance Report

Pursuant to Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by the SEBI, the Company has received Annual Secretarial Compliance Report from Babul Lal Patni, Practising Company Secretary on compliance of all applicable SEBI Regulations and Circulars/Guidelines issued thereunder and the same has been submitted to the Stock Exchanges.

### DISCLOSURES

#### Audit Committee

The Audit Committee comprises of 2(two) Independent Directors namely Shri Ratna Kumar Daga (Chairman and Independent Director) & Shri Amal Chandra Saha (Member and Independent Director) and 1 (One) Executive Director, namely Shri Mukul Somany as member. All the recommendations made by the Audit Committee were accepted by the RP & the Directors, during the financial year 2022-23.

Presently, the composition of the Audit Committee is as follows:

Sl No.	Name of Key Managerial Personnel	Designation
1	Shri Ratna Kumar Daga	Chairman
2	Shri Amal Chandra Saha	Member
3	Shri Mukul Somany	Member

### Vigil Mechanism/Whistle Blower Policy

The Company has a Vigil Mechanism, which also incorporates a Whistle Blower Policy for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. Disclosures can be made by a Whistle Blower, through an email to the Chairman of the Audit Committee.

## Director's Report

The Policy may be accessed on the Company's website at the link: <https://www.hngil.com/uploads/6d68cf57fb915efa23aa97c7b76c0301.pdf>

### Secretarial Standards

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### Meetings of the RP & the directors

During the year under review 4 (four) meetings of the RP and the Directors have been held through Video Conferencing (VC) or Other Audio Visuals Means (OAVM) in accordance with various Circulars issued by Securities Exchange Board of India and Ministry of Corporate Affairs in view of COVID-19 pandemic situation. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. Details of compositions and other information are provided in the Corporate Governance Report.

### Annual Return

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is posted on Company's website at [www.hngil.com](http://www.hngil.com).

### Particulars of Loans, Guarantees or Investment made, guarantee given and securities provided.

Particulars of Loans given, Investments made, Guarantee given and securities provided along with the purpose for which, the Loan or Guarantee or Security is proposed to be utilized by the recipient are provided in the Financial Statements.

### Change in nature of Business

During the year under review, there has been no change in the nature of business of the Company.

### Remuneration from Subsidiary

Since the Company has no Subsidiary, this is not applicable.

### Significant or Material Order

Except as disclosed in this Report, no significant and material order was passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have any bearing on Company's operations in future.

### Material Changes and Commitments

The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated October 21, 2021 had admitted the Company for initiation of Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC) ("the Code") and the management of the affairs of the Company vested on RP.

### Sexual Harassment

During the year under review, no case was reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### Annual Listing Fees

The Company's shares continue to be listed at the National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited.

The Annual Listing fee for the F.Y. 2023-24 has been paid to all these Exchanges.

### Particulars of Employees and Related Disclosures

In terms of Section 197(12) of the Act, read with Rule 5(1) (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, a Statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set-out and other details as required in the said rule are provided as "Annexure III".

### Conservation of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

The statements containing the required particulars under the Act are provided as "Annexure IV" and forms a part of this report.



## Director's Report

### DISCLOSURE IN RESPECT OF STATUS OF APPLICATION OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE

The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated October 21, 2021 had 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 (Committee of Creditors) by its order dated October 28, 2021. Subsequently 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 voting results of which concluded on February 9, 2022, the Interim Resolution Professional Mr Girish Siriram Juneja was appointed as the Resolution Professional (RP) and he is being supported in the CIRP by EY Restructuring LLP as the Insolvency Professional Entity.

As per the CIRP timelines, the 180 days of the CIRP period (excluding 82 days of stay period) expired on July 10, 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 till October 08, 2022 under Section 12(2) of the Code and the same was approved. RP filed for further extension of a period of 30 days and the same was also approved making the last date of CIRP as November 06, 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 March 25, 2022. RP received various Expression of Interests from different applicants and he received resolution plans on July 25, 2022. On October 28, 2022, the resolution plan submitted by AGI Greenpac Limited (AGI) has been approved by the CoC and accordingly, the RP has filed the plan for approval with the Hon'ble NCLT, Kolkata bench on November 05, 2022 which is pending as on date. However, some applications has been filed with Hon'ble NCLAT, New Delhi, the outcome of same is pending till date.

### DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, no such valuation was done at the time of one time settlement and while taking loan from bank or financial institution.

### Personnel and Industrial Relations

Your Company takes pride in the commitment, competence and dedication shown by its employees in all the areas of business. People are the Company's key assets. The focus in F.Y. 2022-23, was on enhancing employee engagement and driving performance excellence, to achieve the Company's long term vision. Your Company is consolidating the human resource operations and the internal systems, to enhance the operations of the Company. The Company continued to actively drive the Ethics and Compliance agenda via trainings, programs and employee engagements, focusing on non-retaliation and zero tolerance to non-compliance. HR function is a critical pillar to support the organization's growth and its sustainability in the long run.

### Acknowledgements

Your Directors & RP would like to place on record, their appreciation to the employees, at all levels, for their contribution to the Company's performance, but for whose hard work and support, your Company's achievements would not have been possible. Your Directors & RP wish to thank its customers, dealers, agents, suppliers, investors and bankers, for their continued support and faith reposed in the Company.

**For and on behalf of the Company**

**Sanjay Somany**

*Director*

(DIN: 00124538)

Place : Kolkata

Date : 08.08.2023

Powers of the board are suspended from the Insolvency Commencement Date

Taken on record by

**Girish Siriram Juneja**

*Resolution Professional for Hindusthan National Glass & Industries Limited*

Reg.: IBBI/IPA001/IP-P00999/2017-2018/11646

## Annexure - I to the Director's Report

### IA. Nomination & Remuneration Policy

#### 1. Introduction

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the LODR (listing obligations Disclosures Requirements) Regulation, 2015 (hereinafter referred as 'Listing Regulations') in order to pay equitable remuneration to the Directors, KMP and employees of the Company and harmonize the aspirations of human resources, consistent with the goals of the Company.

#### 2. Objective and purpose of the policy

**The objectives and purpose of this policy are:**

- 2.1. To formulate the criteria for determining qualification, competencies, positive attributes and independence, for appointment of a Director (Executive/Non-Executive) and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees. This includes, reviewing and approving corporate goals and objectives relevant to the compensation of the Vice Chairmen & Managing Directors (VC & MD) and Executive Director (ED), evaluating the VC & MD's and ED's performance in light of those goals and objective and either as a committee or together with the other independent directors (as directed by the Board), determine and approve the VC & MD's and ED's compensation level, based on this evaluation and making recommendations to the Board, with respect to executive officer compensation and incentive compensation that are subject to Board's approval.
- 2.2. The policy also addresses the following items: Committee member qualifications; Committee member appointment and removal; Committee structure and operations and Committee reporting to the Board.
- 2.3. To formulate the criteria for evaluation of performance of all the Directors on the Board.
- 2.4. To devise a policy on Board diversity; and
- 2.5. To lay out remuneration principles for employees, linked to their effort, performance and achievement relating to the Company's goals.

#### 3. Constitution of the Nomination and Remuneration Committee

The Board has constituted the "Nomination and Remuneration Committee" of the Board on May 20, 2014. This is in line with the requirements under the Companies Act, 2013 ("Act").

The Board has authority to reconstitute this Committee from time to time.

##### Definitions

'Board' means Board of Director of the Company. 'Directors' means Directors of the Company.

'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable "Listing Regulations".

'Company' means Hindusthan National Glass & Industries Limited.

'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules. 'Key Managerial Personnel (KMP)' means –

- i. The Managing Director or the Chief Executive Officer or the manager and in the absence, a Whole-time Director;
- ii. The Company Secretary and
- iii. The Chief Financial Officer'
- iv. Senior Management' means personnel of the Company, who are members of its core management team excluding Board of Directors, comprising all members of management one level below the Executive Directors, including the functional heads

Unless the context otherwise requires, words and expressions used in this policy and not defined herein, but defined in the Companies Act, 2013 and "Listing Regulations" as may be amended from time to time, shall have the meaning respectively, assigned to them therein.



## Annexure - I to the Director's Report

### General

**This policy is divided in three parts.**

Part – A covers the matters to be dealt with and recommended by the Committee to the Board; Part - B covers the appointment and nomination and Part - C covers remuneration and perquisites etc.

This policy shall be included in the Report of the Board of Directors.

### Part – A

#### Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

**The following matters shall be dealt by the Committee:-**

**a) Size and composition of the Board:**

Review the size and composition of the Board, to ensure that it is structured, to make appropriate decisions, with a variety of perspectives and skills, in the best interest of the Company as a whole;

**b) Directors:**

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise on the Board as a whole will best compliment the Board;

**c) Succession plans:**

Establishing and reviewing Board and senior executive succession plans, in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

**d) Evaluation of performance:**

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and frame work for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information, regarding the options of the business, the industry and their legal responsibilities and duties.

**e) Board diversity:**

The Committee assist the Board in ensuring Board, nomination process, with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity Policy.

**f) Remuneration frame work and policies:**

Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Formulate remuneration policy of the Company to ensure that:-

- (a) the level and composition or remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, Key Managerial Personnel and Senior Management, involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

## Annexure - I to the Director's Report

### Part – B

#### Policy for appointment and removal of Director, KMP and Senior Management Appointment criteria and qualifications

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his/her appointment.
2. A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position, he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
3. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/ areas relevant to the Company, ability to contribute to the Company's growth, complimentary skills in relation to the other Board members.
4. The Company shall not appoint or continue the employment of any person as Managing Director/Executive Director, who has attained the age of seventy years.
5. A Whole-time KMP of the Company shall not hold office in more than one Company, except at its subsidiary Company at the same time. However, a Whole-time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.

#### Term/Tenure

##### 1. Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person, as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### 2. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment, on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment, after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company, in any other capacity, either directly or indirectly. However, if a person, who has already served as an Independent Director for five years or more in the Company, as on April 1, 2015 or such other date, as may be determined by the Committee, as per regulatory requirement, he/she shall be eligible for appointment for one more term of five years only.

At the time of appointment of Independent Director, it should be ensured that number of Boards, on which such Independent Director serves, is restricted to seven listed companies, as an Independent Director and three listed companies, as an Independent Director, in case, such person is serving as a Whole-time (Executive) Director of a listed company.

#### Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

#### Retirement

The whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion, to retain the Whole-time Directors, KMP and senior management personnel, in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

## Annexure - I to the Director's Report

### PART - C

#### Policy relating to the remuneration for Directors, KMP and other employees. General

1. The remuneration/compensation/commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Chairman & Managing Director and Vice Chairman & Managing Director, shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration/compensation structure, may be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders, in the case of Managing Director.
4. Where any insurance is taken by the Company, on behalf of its Managing Director, Chief Financial Officer, Company Secretary and any other employees, for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel, provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### Remuneration to KMP and other employees

The policy on remuneration for KMP (other than Chairman & Managing Director and Vice Chairman & Managing Director) and other employees, will be governed as per the HR Policy of the Company and increment will be paid accordingly.

#### Remuneration to Non-Executive / Independent Directors

##### 1. Remuneration

The remuneration payable to each Non-Executive Director is based on the remuneration structure, as determined by the Board and revised from time to time, depending on individual contribution, the Company's performance and the provisions of the Companies Act, 2013 and the rules made thereunder.

The remuneration to the Non-Executive Directors (including Independent Directors), may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1.5% of the profits of the Company, computed as per the applicable provisions of the Companies Act, 2013.

##### 2. Stock options

The Independent Directors shall not be entitled to any stock option of the Company.

#### Policy Review

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of "Listing Regulations".

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations, which makes any of the provisions in the policy, inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy, would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination & Remuneration Committee, as and when, any changes are to be incorporated in the policy, due to change in regulations or as maybe felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

#### IB. Board Evaluation Policy

##### 1. Introduction

- 1.1 The challenge for Board is to prevent crisis in the organisation they govern. Performance evaluation is a key means by which Board can recognise and correct corporate governance problems and add real value to their organisations.
- 1.2 Board and Director's evaluation involves Board members undertaking a constructive but critical review of their own performance, identifying strengths, weaknesses and implementing plans for further professional development. The provision of feedback on Board performance and governance processes, is the most crucial element of Director's evaluation.

## Annexure - I to the Director's Report

1.3 To enable Directors of the Company to evaluate their individual performance, as well as the collective performance of the Board, the Board has developed a framework for evaluating Board's effectiveness. This Policy is in compliance with Section 178 of the Companies Act, 2013, read with the applicable rules thereto and 49 under the Listing Regulations.

### 2. Purpose

2.1 The primary objective of the Policy is, to provide a framework and set standards for the evaluation of the Board as a whole, its Committees and Directors. The Company aims to achieve a balance of merit, experience and skills on the Board.

2.2 The Board's policy is to assess the effectiveness of the Board as a whole and its Board Committees. Individual Board members are assessed on their effective contribution and commitment to their role and responsibilities as directors. The Board evaluation process shall be carried out by the Nomination and Remuneration Committee of the Board of Directors ("The NR Committee").

### 3. Objectives of evaluation

3.1 **The objective to undertake evaluation of Board and Individual Directors are as under:**

- (a) To demonstrate commitment to performance management;
- (b) To review problems in the dynamics of the Board room or between the Board and Management;
- (c) To enhance good corporate governance;
- (d) To provide Directors with guidance for their learning and growth and
- (e) To develop appropriate skills, competencies and motivation on the Board.

### 4. Scope of Evaluation

4.1 **Evaluation of the Board as a whole**

Regular evaluation of the Board as a whole can be seen as a process, that ensures Directors develop a shared understanding of their governance, role and responsibilities. It serves as an excellent familiarisation tool for Board.

4.2 **Individual Directors' Evaluation**

Individual evaluation provides the Board with an opportunity to probe particular issues in depth.

### 5. Method of Evaluation

5.1 Depending on the degree of formality, the objectives of the evaluation and there sources available, the evaluation process will involve a range of qualitative and quantitative techniques.

5.2 To evaluate Individual Directors, either self or peer evaluation techniques is to be used. The aim of self-evaluation is to encourage Directors, to reflect on their contributions to Board activities and have them identify their personal strengths and weaknesses. An objective view is best gained through peer evaluation, whereby Directors identify each other's individual strengths and weaknesses. By having members of the Board evaluate each other, it is possible to gain a more rounded picture of the strengths and weaknesses of each director and their contribution to the effectiveness of the Board. It can also be used to identify skill gaps on the Board.

6. Process for Evaluation of the Board as a whole and its Board Committees

6.1 Each of the Directors will complete all sections of the Board Self Evaluation Form honestly and sincerely. The Directors will also be required to provide comments, to explain the ratings allocated. A rating scale of "1" to "5" is employed, wherein "1" denotes a strong rating and "5" a critical condition.

6.2 The above Forms will be submitted by the Directors to the NR Committee on an annual basis, within 30 days of the end of every financial year.

6.3 Based on the Forms submitted, the NR Committee shall assess and discuss the performance of the Board as a whole and its Committees every year and ascertain key areas for improvement and the requisite follow-up actions.

## Annexure - I to the Director's Report

### 7. Process for Evaluation of

#### Individual Directors

- 7.1 The evaluation/assessment of the Directors of the Company is to be conducted on an annual basis and to satisfy the requirements of the Listing Regulations.
- 7.2 The Non-Executive Directors ("NEDs"), led by the NR Committee's Chairman, shall assess the performance of the Chairman and other Directors. The Chairman shall meet with each Individual Director, to discuss the evaluation and any matter relating to the functioning of the Board.
- 7.3 Each Non-Executive Director's ("NED") contribution will be assessed by the Chairman and the results of the assessment will be discussed with the NR Committee Chairman.
- 7.4 Criteria for assessment of NEDs include attendance record, intensity of participation at meetings, quality of intervention and special contributions.
- 7.5 Each of the Directors (other than director being evaluated) will complete all sections of Individual Director Assessment Form and Non-Executive Director Assessment Form, honestly and sincerely. The Directors will also be required to provide comments, to explain the ratings allocated. A rating scale of "1" to "5" is employed, wherein "1" denotes strong rating and "5" a critical condition.
- 7.6 **The following criteria may assist in determining, how effective the performances of the Directors have been:**
  - leadership & stewardship abilities
  - contributing to clearly define corporate objectives & plans
  - communication of expectations & concerns, clearly with subordinates
  - obtain adequate, relevant & timely information from external sources.
  - review & approval achievement of strategic and operational plans, objectives, budgets
  - regular monitoring of corporate results against projections
  - identify, monitor & mitigate significant corporate risks
  - assess policies, structures & procedures
  - review management's succession plan
  - effective meetings
  - assuring appropriate Board size, composition, independence, structure
  - clearly defining roles & monitoring activities of Committees
  - review of corporation's ethical conduct
- 7.7 Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.
- 7.8 The Executive Director/Non-Independent Directors along with the Independent Directors, will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

### 8. Reporting to Board

At the end of the evaluation process, the Chairman of NR Committee shall submit a report to the Board members on the results of the evaluation process.



## Annexure - II to the Director's Report

**FORM No MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Hindusthan National Glass & Industries Limited,**  
2 Red Cross Place,  
Kolkata-700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hindusthan National Glass & Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Hindusthan National Glass & Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Hindusthan National Glass & Industries Limited ("the company") for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- i) The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
  - v) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - d) \*The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - e) \*The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - f) \*The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
    - g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
    - h) \*The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
    - i) \*The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and
    - j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- \* No event took place under these regulations during the audit period.
- vi) I have been informed that no other sector/industry specific enactments are applicable to the company. I have also examined compliance with the applicable clauses of the following:
    - i) Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by The Institute of Company Secretaries of India, with which the Company has complied with.
    - ii) The Listing Agreements entered into by the Company NSE, BSE and CSE.

## Annexure - II to the Director's Report

iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### I further report that

- a. The Board of Directors of the Company comprises five Directors. There all three Independent Directors (including one-woman Director) and two Non-executive Directors. There were no changes in the composition of Board Directors during the year.
- b. Regulation 17(1)(c) of SEBI (LODR) Regulations, 2015, which requires that the Company should have minimum six directors is, not applicable to the Company as the Company is under Corporate Insolvency Resolution Process since 21.10.2021.
- c. Considering the fact that the Company has defaulted in payment of principal amount and interest on Non-Convertible Debentures, in my opinion all the Directors are disqualified from being appointed as Director in terms of section 164(2) of the Companies Act, 2013.
- d. As per Regulation 15(2A) of the SEBI (LODR) Regulations, 2015, the role and responsibilities of the board of directors as specified under regulation 17 shall be fulfilled by the interim resolution professional or resolution professional in accordance with sections 17 and 23 of the Insolvency and Bankruptcy Code. Moreover, the powers of Directors have been suspended and vested in the Interim Resolution Professional or Resolution Professional as the case may be.
- e. Adequate notice is given to all directors and Resolution Professional to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. During the year the meetings of the Board of Directors and Committees thereof have been held through VCM.
- f. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and process in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that as per the information and details provided by the Company and its management:

- a. The Hon'ble National Company Law Tribunal (NCLT)- Kolkata Bench has admitted, the application for initiation of Corporate Insolvency Resolution Process ('CIRP') under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('IBC') which was filed by DBS Bank Limited, in its capacity as a Financial Creditor of the company before the NCLT, vide its Order dated 21<sup>st</sup> October, 2021. Accordingly, Mr. Girish Siriram Juneja, having registration no. IBBI/IPA-001/IP-P00999/2017-18/11646, was appointed as the Interim Resolution Professional (IRP).
- b. The IRP has formed a Committee of Creditors (CoC) based in the claims received. The CoC had later appointed the said IRP as the Resolution Professional (RP).
- c. The RP had published the advertisement seeking Expression of Interest (EoI) from the Prospective Resolution Application (PRAs) under the CIRP and subsequently notified the final list of PRAs.
- d. Subsequently, 3 plans were received by the RP from the PRAs and the CoC has voted upon the plans and declared AGI Greenpac Limited as the Successful Resolution Applicant.  
The Resolution Plan submitted by AGI Greenpac Limited has been filed by the RP with the Hon'ble NCLT, Kolkata Bench for its consideration. Currently, the matter is pending with Hon'ble NCLT.
- e. An appeal has been filed by one of the Promoter of the Company with Hon'ble National Company Law Appellate Tribunal (NCLAT), New Delhi against the aforesaid order of Hon'ble NCLT. The NCLAT has dismissed the appeal vide its order dated 23<sup>rd</sup> March, 2023.
- f. I have noted that presently, there are multiple proceedings and applications pending in the resolution process of the company and which may bear the risk of the company going into liquidation.

I further report that since 1<sup>st</sup> April, 2023 the Company has no Managing Director or Whole time Director or Manager or CEO as required under section 203 of the Companies Act, 2013.

I further report that as per the information and details provided by the Company and its management, the Company has accumulated losses and its net worth has completely eroded during the period under review. The Company has incurred loss

## Annexure - II to the Director's Report

during the current year and in the earlier years and its earning per share is negative. The RP, however, continues to run the operations of the company on a going concern basis.

I further report that post initiation of CIRP all the meeting of the Board of Directors and Committees are being chaired by the Resolution Professional.

I further report that as on date the status of the Company on MCA Portal is "UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS"

I further report that during the Audit period there were no other specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, and standards etc., referred to above.

Place	: Kolkata	<b>Signature</b>	:
Dated	: 15.05.2023	<b>Name of the Company</b>	: BABU LAL PATNI
		<b>Secretary in Practice</b>	
		<b>FCS</b>	: 2304
		<b>C.P. No.</b>	: 1321
		<b>UDIN</b>	:
		<b>P.R. No.</b>	: 1455/2021

### Note:

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

### Annexure – 'A'

To,  
The Members,  
**Hindusthan National Glass & Industries Limited,**  
2 Red Cross Place,  
Kolkata-700001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place	: Kolkata	<b>Signature</b>	:
Dated	: 15.05.2023	<b>Name of the Company</b>	: BABU LAL PATNI
			<i>Practising Company Secretary</i>
		<b>FCS</b>	: 2304
		<b>C.P. No.</b>	: 1321
		<b>UDIN</b>	:
		<b>P.R. No.</b>	: 1455/2021

## Annexure - III to the Director's Report

### A. INFORMATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULES 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name	Age (Years)	Qualification & Experience in years	Date of Appointment	Designation (Nature of Duties)	Gross Remuneration (₹)	Last Employment held (Designation)	% of Equity Shares held by an employee
1.	Shri Sanjay Somany	65	B. Com. Dip. In Diesel Engg. 40 years	01.10.2005	Suspended (on account of CIRP)	Nil	Glass Equipment (India) Ltd. (Managing Director)	3.48
2.	Shri Mukul Somany	58	B. Com (Hons.) 33 years	01.10.2005	Suspended (on account of CIRP)	Nil	None	4.49

#### Notes:

Shri Sanjay Somany and Shri Mukul Somany are related to each other.

#### Disclosure on the Remuneration of the Managerial Personnel

The median remuneration of employees of the Company during the financial year was Rs.3.10 lakh (INR) and there is a decrease of 22% in the percentage of median remuneration.

- Numbers of permanent employees on the rolls of the Company: Staff-1194, Permanent Workmen- 1358 as on 31<sup>st</sup> March, 2023.
- There is no increase in the remuneration paid to Executive and Non-Executive Directors.
- Ratio of remuneration of Shri Sanjay Somany and Shri Mukul Somany to median remuneration of employees are '0','0' respectively.
- Affirmation that the remuneration is as per the remuneration policy of the Company – Yes

### INFORMATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULES 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name	Designation	Remuneration received (Rs.)	Qualification	Experience	Date of commencement of employment	Age	The last employment held before joining the company	Equity Shares held	Whether relative of any Director or Manager of the company
SHRI VINAY SARAN	PRESIDENT	8996000	BSC & MBA	36 Years	12th Feb, 2007	57	Indorama Synthetics Ltd As GM - Marketing	Nil	No
SHRI BIMAL KUMAR GARODIA	PRESIDENT & CFO	8901000	CA, CWA, CS	31 Years	26th April, 2008	55	Bajaj Eco - Tec Products Limited as VP - Finance & Company Secretary	5	No
SHRI AJAY KUMAR RAI	SR.VP - SMC	7080000	B.Tech -Mechanical	28 Years	2nd February, 2012	48	Baxter India Private Limited as Plant Manager	Nil	No
SHRI SOMNATH SENGUPTA	SR.VP - MANAGEMENT AUDIT	6879000	BSC (HONS) ICWA, CA	33 Years	1st July, 2011	58	Eveready Industries as GM -Internal Audit	Nil	No
SHRI ALOK TAPARIA	VP-FINANCE	5820000	CA, ICWA	27 Years	20th August, 2003	48	Vikrant Alloys and Forgings Pvt Ltd as Head (OMG)	Nil	No
SHRI SHIV RAJ BANSAL	VP-COMMERCIAL	5508000	CA, M.COM	39 Years	1 <sup>st</sup> February, 2011	63	Motherson Sumi Ltd as VP	Nil	No
SHRI KAMAL KUMAR	VP - OPERATIONS	5301000	B.E (MECH) MBA	33 Years	1 <sup>st</sup> July, 2021	55	Rockwell India Pvt Ltd as Unit Head	Nil	No
SHRI RAMCHANDRA PARASRAM UNE	VP - OPERATIONS	5075000	B.E, M.M.S (Operations), PhD (Management Science)	32 Years	23rd May, 2020	58	Hexagon Nutrition Pvt Ltd as VP Operations		

## Annexure - III to the Director's Report

Name	Designation	Remuneration received (Rs.)	Qualification	Experience	Date of commencement of employment	Age	The last employment held before joining the company	Equity Shares held	Weather relative of any Director or Manager of the company
SHRI KATHIRESAN ANBALAGAN	VP - OPERATIONS	4800000	ME, BE, PGDMM DIP -PRODUCTION	33 Years	11 <sup>th</sup> April, 2022	56	Petroleum & Gas Co., Fiji Island -CEO	Nil	No
SHRI SHAILENDRA KUMAR MISRA	SRVP (MARKETING)	4314000	PGD in Business Management	28 Years	21 <sup>st</sup> March 2011	51	Sharp Industries Ltd as VP – Sales & Marketing	Nil	No



## Annexure - IV to the Director's Report

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

Information pursuant to section 134(3) (m) and rules made therein and forming a part of the Directors' Report for the year ended March 31, 2023.

#### 1. ENERGY CONSERVATION

Energy conservation continues to remain the key focus area for the Company. New initiatives and developments undertaken in this direction are:

Plant	Initiatives & Developments
Rishra	<ol style="list-style-type: none"> <li>The discharge line of the heater-less vaporizer has been modified to fulfil the plant's gas requirement other than Furnace (Yearly Saving Rs 15 lacs).</li> <li>The consumption of water in the bottle washing section has been reduced, resulting in a water saving of 150-200 KL/day (Yearly saving of Rs. 13.5 lacs).</li> <li>By recycling of raw water at major consuming part of plant, saving of Rs 2.75 Lac/annum accomplished. (Energy Saving 3,000 KWH/month).</li> <li>Saving of 3,810 units/month (Rs 3.43 Lac/annum) by replacement of conventional luminaires with LEDs.</li> <li>By using 50% cullet at Fur#1 for the month of Mar-23, melting energy was reduced to 1,187 Kcal/kg from 1,243 Kcal/kg.</li> </ol>
Bahadurgarh	<ol style="list-style-type: none"> <li>Atlas Copco Compressor No. 2 intercooler changed and achieved electrical energy saving of 1,000 KWH per day.</li> <li>Two cells of the main cooling tower were refurbished, resulting in a reduction of the outlet temperature and a saving of 600 KWH of energy.</li> <li>Oil burner nozzles have been modified to achieve required flame length &amp; geometry while increasing fuel efficiency and reducing Furnace temperature as well as minimizing refractory corrosion/erosion in both furnaces.</li> <li>The water header for the Atlas compressor &amp; air dryer was modified, resulting in the implementation of a common water header (energy saving - 450 KWH).</li> <li>Compressed air pistols were installed on all blank and blow sides of the production lines to ensure effective use of compressed air.</li> <li>We reduced the energy consumption by light weighting 17 SKUs.</li> </ol>
Rishikesh	<ol style="list-style-type: none"> <li>Improved the energy efficiency of production process by relocating five feeder blowers for forehearths, Savings 100 KWH/day (Yearly saving Rs 3 Lac).</li> <li>Upgraded the compressor cooling water pump motor from a non-rated 75 KW motor to an IE3 rated motor (Annual saving of Rs 3 Lacs).</li> <li>Dryer cooling tower overhauled, and fan replaced with FRP blades led to annual saving of Rs 3.15 Lacs.</li> <li>Improved heat transfer efficiency of reciprocating compressor by overhauling 4 heat exchangers – Saving 200 KWH/day (Yearly saving of Rs 6.5 Lacs).</li> <li>New energy efficient Bentone burner installed in LEHR led to annual saving of Rs 1.5 Lacs.</li> <li>Replacement of indoor 250-Watt mercury lamp with 40-Watt LED lamp led to saving of 50 KWH/Day.</li> </ol>

## Annexure - IV to the Director's Report

Plant	Initiatives & Developments
Sinnar	<ol style="list-style-type: none"> <li>By halting utility reciprocating compressor, cooling water pump, and cooling tower fan, and by sealing air leaks and rerouting air lines, daily electricity consumption reduced by 4,000 KWH (Yearly Saving Rs 1.44 Cr).</li> <li>Improved power factor from 0.996 to unity, leading to saving of 25,000 KWH/month. (Yearly Saving – Rs 28.8 Lac).</li> <li>Saved 500 KWH of electricity per day by halting the electrical LPG vaporizer and instead used water vaporizer (Yearly saving Rs 18 lac).</li> <li>The implementation of various small projects, such as the use of recycled water and reducing wastage, has resulted in a reduction of water consumption from 700 KL/day to 300 KL/day. (Yearly Saving Rs 30 Lac).</li> <li>Reduced compressors and Dryers load by 1 Amp by Increasing cooling water pressure from 1.5 Kg to 3 Kg to improve air cooling effect in compressors and dryers (Yearly saving Rs 36 Lac).</li> </ol>
Naidupeta	<ol style="list-style-type: none"> <li>Power procurement through IEX open access (Saving - Rs 60 Lacs).</li> <li>The refining zone booster electrode circuit was modified from 4 electrodes to 2, which improved temperature control of the throat riser. As a result, one transformer became redundant, resulting in savings of 3,600 kWh per month.</li> <li>Successful implementation of compressed air circuit bifurcation into 3.1 and 4.1 Bar. PNLV valve got installed to prevent compressed air from leaking.</li> <li>106 conventional lamp (250 W) replaced with efficient LED lamp (70 W).</li> <li>Ground water usage has been reduced from 800 KLD to 350 KLD by implementing various control measures &amp; better monitoring.</li> <li>PID is installed for automatic control of crown temperature, resulting in savings in FO oil.</li> </ol>
Pondicherry	<ol style="list-style-type: none"> <li>By increasing the speed, cavity cut rate is increased, which led to output increase of 2 TPD. With 2 lines of NNPB production line, yield could be increased by 4 TPD. savings of Rs. 4.3 Cr/Annum.</li> <li>Replaced conventional lightings with LED ( Yearly savings Rs 5.5 lacs).</li> <li>Close monitoring and increased surveillance of fuel consumption in JCB, Payloader, Forklifts and Tractors, saved around Rs. 47.0 Lakhs.</li> <li>The blower motor in the shrink wrap tunnel has been changed from starter control to VFD control, resulting in a reduction of the motor speed by 450 RPM and a power saving of around 25%.</li> </ol>

## 2. RESEARCH AND DEVELOPMENT

Specific areas in which R & D is carried out by the Company.

Plant	Initiatives & Developments
Rishra	<ol style="list-style-type: none"> <li>Revived Fur#6 after a huge glass leakage. A dilapidated Furnace restarted after laying dummy throat, soldier blocks &amp; dummy gable wall at throat side.</li> <li>Chaibasa dolomite usage in place of Himachal Dolomite and low-cost amber sand partial usage in Flint glass. ( Annual Saving potential &gt; Rs 1.5 Cr).</li> <li>A centralized cooling water pressure alarm system has been installed to pre-empt pressure drop, prevent compressor failure, and minimize downtime of IS machines.</li> <li>To ensure system stability and motor protection, the 55KWVFD of the T-1 metal line blower motor has been replaced with a star-delta starter.</li> <li>Revamped 2.5 MVA, 6/3.3 KV transformer and 1,250 KVA Barrier Booster transformer. Diesel driven water pump installed at T1 &amp; T6 to handle power failure.</li> <li>Modified airline to reduce high pressure air from 40 psi to 35 psi in I/S machines 64 and 65. Additionally, very high pressure pilot air is now provided at 40 psi instead of 60 psi.</li> <li>OEM expensive process computers are being replaced with locally procured refurbished PC. Program back-up &amp; restoration is done In-house for micro PLC's &amp; HMIs.</li> </ol>

## Annexure - IV to the Director's Report

Plant	Initiatives & Developments
Bahadurgarh	<ol style="list-style-type: none"> <li>1. Despite challenging conditions like the poor condition of the regenerator (empty packing), throat (triple patched &amp; continuously water-cooled), falling distributor cover tile &amp; damage electrode, Fur#04 is still being operated at 215 MT/day.</li> <li>2. Technical expertise used to hang fused silica bricks &amp; save the remaining portion of the distributor fallen cover tile in the front riser area of Fur#4 throat.</li> <li>3. Implemented LPG firing system in Fur#3, which can be used as an alternative fuel source in case of emergency or when it is more viable to do so.</li> <li>4. Line 31, 32 and 35 upgraded for NNPB and commercial runs taken. Vacuum pump oil indigenized and import of oil discontinued.</li> <li>5. Developed light weight bottles for 17 SKU &amp; design, development is done for 39 SKU for better productivity. 28 new bottles developed.</li> <li>6. Installed through-belt Vertiflow system in Lines 31, 32, and 35, and did in-house modifications to improve bed and V/F mechanism for effective mould cooling.</li> </ol>
Rishikesh	<ol style="list-style-type: none"> <li>1. Replaced the obsolete OI drive system with indigenous drive system on machine 71, 73 and 74 to improve consistency and reduce downtimes.</li> <li>2. Imported Joest controller replaced with indigenous one (lower cost &amp; timely availability). RFO bank heater fabricated inhouse for better FO temperature.</li> <li>3. Modified the bearing housing of the sand elevator to reduce breakdowns and installed a zero-speed sensor for better control.</li> <li>4. Cullet washing drum manufactured inhouse and installed. POCO graphite inserts replaced by CI inserts.</li> <li>5. To minimise gob loading issue, 3<sup>rd</sup> Gob tube installed on line 71 &amp; 74.</li> <li>6. Installed reservoir tanks on line 71, 73 &amp; 74 to minimise fluctuation in invert air.</li> </ol>
Sinnar	<ol style="list-style-type: none"> <li>1. In house fire line extension led to saving of Rs 9 lacs.</li> <li>2. L-124 &amp; L-126 Lehr control HMI repaired indigenously. OEM quote for upgrading the panel was of EUR 4,000. (Saving Rs 6.60 Lac).</li> <li>3. In-house repairing of 56 nos. of imported Servo motors (saving of Rs 21.3 Lac)</li> <li>4. Locally repaired faulty Furnace pressure damper actuator. (Saving Rs 2.6 Lac)</li> </ol>
Naidupeta	<ol style="list-style-type: none"> <li>1. FPS line modification from 4.1 Bar to 3.1 Bar completed on all AIS machine.</li> <li>2. Flow meter procured to install in Pilot air line for continuous measurement.</li> <li>3. To extend the furnace life, Endoscopy carried out in Dec-22 &amp; Planning for Ceramic welding in Jun-23.</li> <li>4. Imported Oil preheater has successfully been replaced with Indian made Electricfor heaters resulting in cost saving of about Rs 20 L.</li> <li>5. Additional 36 KW heater has been installed in the Furnace Oil day tank to improve temperature control of the fuel oil.</li> </ol>
Pondicherry	<ol style="list-style-type: none"> <li>1. NNPB lines minox Mould replaced with cast Iron Mould (saving Rs 1.5 Cr).</li> <li>2. Imported take-out tongs have been replaced with a domestically developed alternative (Yearly savings Rs. 40 Lacs).</li> <li>3. The Stacker and Pusher finger pads now use locally developed ceramic fiber tapes instead of imported ones (Yearly saving: Rs. 6.0 lacs).</li> <li>4. The coarse sand, a by-product of processed raw sand, is ground in a ball mill and consumed as an input material (saving Rs. 55.0 Lacs).</li> <li>5. The Batch House's RHS Hydra mixer and screw with paddle conveyor have been replaced with a simple belt conveyor for easier operation and better control.</li> <li>6. Inspection machines controls were modified and upgraded to avoid bottle loss, stoppages, and false rejections.</li> <li>7. Line 91 LEHR combustion blower was interlocked with pressure switch, to avoid continuous running of blower and cold air ingress when the firing is off.</li> </ol>

## Annexure - IV to the Director's Report

### 2. FUTURE PLANS OF ACTION

Plant	Initiatives & Developments
Rishra	<ol style="list-style-type: none"> <li>1. Cold repair of Fur#2 (to restart furnace, improve productivity and Energy saving) and Ceramic welding of Fur#6 (Increase furnace Life).</li> <li>2. Development of Rajmahal Sand for batch cost reduction.</li> <li>3. Energy saving by replacement of 250 KW, 6 pole slip ring motor with 250 KW, 4 pole squirrel cage motor, normal star-delta starter with VFD at all cooling water pumps and Installation of heater-less vaporizer system.</li> <li>4. Procurement of 33 KV SF6 main incomer breaker and spare breaker for main power transformers to ensure spare availability.</li> <li>5. Replacement of conventional luminaires with LED luminaires, Dryer-1 reciprocating compressor with screw compressor for low maintenance cost.</li> <li>6. Revamping of auxiliary power source at 33 KV Breaker control room and 6KV breaker section of T-6. Revamping of Centac cooling tower, Centac 5 compressor, amber cullet bucket elevator, ZR500 compressor.</li> </ol>
Bahadurgarh	<ol style="list-style-type: none"> <li>1. To carry out cold repair of Fur#4 which will also include an expansion of its holding capacity and placing of stirrers on big forehearths.</li> <li>2. Atlas Copco Compressor No. 1 intercooler replacement planned.</li> <li>3. Refurbishment of 1 cell of Cooling tower and VFD installation on cooling blower No 33 for energy saving. Replacement of Air Dryer.</li> <li>4. Working with customers for further light weighting with process change from B&amp;B to NNPB or P&amp;B.</li> <li>5. Large bore TG Plunger cylinders under development for line 34 &amp; 35 to produce food &amp; pharma bottles with NNPB Process.</li> <li>6. Non scissor type Blank Holder would be installed on Line 42 to come out of holder breakage and reduction in Blank seam issues.</li> </ol>
Rishikesh	<ol style="list-style-type: none"> <li>1. Repairing/Rebuild of Fur#8 regenerator to improve fuel efficiency.</li> <li>2. Usage of Natural gas (RLNG) instead of HVFO on both furnaces.</li> <li>3. Rebuild of Line 81 &amp; 82. Desiccant type dryer to be replaced with Refrigerant Dryer for Instrument air.</li> <li>4. Replacement of conventional induction motors with energy efficient motors Replacement of CENTAC motors. Metal Line Cooling Blowers motor of 45 KW to be replaced with energy efficient IE4 motor.</li> <li>5. Thyrester Controller for Shrink wrap machine and Heaters.</li> <li>6. Enhance capacity of UPS of furnaces &amp; automation of Fur#8 Batch House.</li> </ol>
Sinnar	<ol style="list-style-type: none"> <li>1. Plan to replace Gas mould oven with Induction mould heater (Investment Rs. 13 Lac, payback period of 2 years).</li> <li>2. To automatically switch off blower for cooling mould and conveyor during job change (Investment Rs. 5 Lac , Saving 5,000 KWH/month).</li> <li>3. Installation of solar water heater for canteen (Investment of Rs. 1.5 Lac, electricity saving 1,300 KWH/ month).</li> <li>4. To use motion sensor lights and solar street lights (investment Rs. 40 Lac, payback period of 2.5 years with electricity saving).</li> <li>5. Saving 20 KL per day water by Installation of ETP for cullet washing with investment of Rs. 15 Lac.</li> <li>6. Installation of UPS for LEHR panel to safeguard yearly production loss of Rs. 25 Lac due to power fluctuations (Investment of Rs. 25 Lacs).</li> </ol>
Naidupeta	<ol style="list-style-type: none"> <li>1. LNG usage to improve energy efficiency &amp; reduce melting costs.</li> <li>2. Energy and cost saving by Cooling tower refurbishment by Damaged structures replacement. Fills, nozzles, Energy efficient pumps &amp; Motors, installation of LPG heaterless vaporiser, LED light in place of HPSV/HPMV/ MH lamps and Installation of PNLD in Centac Compressors. Restarting commercial production of ACL Line.</li> <li>3. Plan to use solar power.</li> </ol>

## Annexure - IV to the Director's Report

Plant	Initiatives & Developments
Pondicherry	<ol style="list-style-type: none"> <li>4. Refurbishment of high intensity magnetic filter of in-house sand plant.</li> <li>5. Cold end inspection machines to be readied for line 131 &amp; 136.</li> <li>1. To replace 20 HP booster electrode cooling water pump in the furnace with a 10 HP pump (Yearly saving Rs. 2.0 lacs).</li> <li>2. Energy saving by fitting Steel light LED, VFD(250KW) for HP Air Compressor, Energy Efficient Lamp(LED) 150W and Solar Light Tube at Ware house/Cold End.</li> <li>3. Installation of 2 X 25 MT Bullet storage for LPG.</li> <li>4. To recycle the STP water @ 50 KL per day (Yearly Saving Rs. 3.5 Lacs).</li> <li>5. To replace Sodium/Mercury vapour lamps with the LED lamps and provide Thyristor controller for Vaporiser (Yearly savings of Rs. 3.0 Lacs).</li> <li>6. Ceramic welding of port wall and crown is planned to improve Furnace life.</li> <li>7. Induction of low wattage and energy-efficient blowers and compressors.</li> <li>8. To modify the patterns and ingate to minimise the weight of the castings to reduce the cycle time of Mould manufacturing and reduction in the consumption of raw materials. (Yearly Saving opportunity Rs. 8.5 Lakhs).</li> </ol>

### 1. EXPENDITURE ON R & D

During the year, the Company has not incurred any expenditure.

### 2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- Compressed air pistols installed at blank and blow sides of the production lines in Bahadurgarh plant for effective use of compressed air.
- Energy efficient Bentone burner installed in LEHR at Rishikesh unit.
- Upgradation of the compressor cooling water pump motor from a non-rated 75 KW motor to an IE3 rated motor at Rishikesh unit.
- Bahadurgarh Line 31, 32 and 35 upgraded for NNPB process.

### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign exchange earnings and outgo are detailed below:

( in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Earnings in foreign exchanges	8,513.83	3,217.51
Expenditure incurred in foreign exchanges	-	4,611.34
Raw Materials	2,777.92	4,981.01
Components, Spare parts and Repairs	820.35	670.96
Capital Goods		2.07
Other Expenses	13.94	382.73

**For and on behalf of the Company**

**Sanjay Somany**

*Director*

(DIN: 00124538)

Place : Kolkata

Date : 08.08.2023

Powers of the board are suspended from the Insolvency Commencement Date  
Taken on record by

**Girish Siriram Juneja**

*Resolution Professional for Hindusthan National Glass & Industries Limited*

Reg.: IBBI/IPA001/IP-P00999/2017-2018/11646



## Corporate Governance Report

In accordance with an application made by DBS Bank, Financial Creditor of the Company, the Hon'ble National Company Law Tribunal, Kolkata Bench, vide its order dated 21<sup>st</sup> October, 2021 ("Order") has initiated Corporate Insolvency Resolution Process ("CIRP") against your Company under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Pursuant to the Order, the powers of the Board of Directors stand suspended and are vested with Mr. Girish Siriram Juneja (IP Registration No. IBBI/IPA-001/IP-P00999/2017-2018/11646), who has been appointed as Interim Resolution Professional (IRP) by the Hon'ble National Company Law Tribunal, Kolkata Bench Further, in consonance with the stipulation contained in Section 17 of the Code, the powers of the Board of Directors of the Company stand vested with Mr. Girish Siriram Juneja, Resolution Professional.

### 1. Company's philosophy on Code of Governance

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner, which ensures accountability, transparency and fairness in all transactions, in the wide sense. HNG believes that transparent and ethical practices, in line with accepted norms of Corporate Governance are essential for long-term success. The Company lays strong emphasis on management accountability, established control systems and individual integrity at all levels. It seeks to ensure that business objectives are balanced with corporate responsibility, to create sustainable value for all stakeholders including shareholders, employees, customers, government and the lenders. It is our endeavor to achieve higher standards and provide oversight and guidance to the management, in strategy implementation, risk management and fulfilment of stated goals and objectives.

During the financial year 2022-23, the Company kept its commitment towards the required norms and disclosures on Corporate Governance under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"). However, in terms of sub regulation 2A & 2B of Regulation 15 of listing regulations, the provisions as specified in regulations 17 to 21 of the Listing Regulations are not applicable during the CIRP period in respect of a listed entity which is undergoing CIRP under the IBC.

### 2. Board of Directors

The RP is entrusted with the ultimate responsibility of the management directions and performance of the Company as the Company is under CIRP. The Company formed an active, well-informed Board, comprising of Independent Directors in compliance of Listing Regulations, to uphold the Company's commitment, to high standards of ethical values and business integrity.

- Composition, category and size of the Board:
- The composition and category of the Board of Directors as on 31<sup>st</sup> March, 2023 is given below.
- \*\*Out of the total 5 (Five) Directors on the Board:
  - 2 (Two) are Promoters, Executive Directors and Equity Investors.
  - 3 (Three) are Independent Non-Executive Directors including 1 (One) Woman Independent Non-Executive Director.

Attendance of each Director at the Board Meetings, last Annual General Meeting (AGM) and Number of other Directorships and other Board Committee memberships in various Companies:

Name of the Director	Category of Director	Attendance at meetings held during 2022-23		Directorship other companies <sup>^</sup>	Number of Board Committees in which he is Chairman/Member#			Name of Listed entities in where the Person is a director and the category of Directorship
		Board	AGM		Chairman	Member	Total	
Shri Sanjay Somany (Promoter)	Executive Director	4	Yes	3	Nil	Nil	Nil	Spotlight Vanijya Limited (Non-Executive Director)
Shri Mukul Somany (Promoter)	Executive Director	4	No	4	1	1	2	Spotlight Vanijya Limited (Non-Executive Director)
Shri Ratna Kumar Daga	Independent, Non-Executive	4	Yes	Nil	2	1	3	Nil

## Corporate Governance Report

Name of the Director	Category of Director	Attendance at meetings held during 2022-23		Directorship other companies <sup>^</sup>	Number of Board Committees in which he is Chairman/Member#			Name of Listed entities in where the Person is a director and the category of Directorship
		Board	AGM		Chairman	Member	Total	
Smt. Rita Bhimani	Independent, Non-Executive	3	Yes	2	Nil	2	2	Asian Hotel (EAST) Limited (Director)
Shri Amal Chandra Saha	Independent, Non-Executive	4	Yes		Nil	Nil	Nil	Nil

<sup>^</sup> excludes directorship of companies u/s 8 of the Companies Act, 2013, Private Limited Companies, Foreign Companies.

# Memberships/Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in other Public Limited Companies have been considered (excluding Membership/Chairmanship in Committees of the Board of the Company for which, this report has been prepared).

After appointment of RP, all meetings are chaired by him.

- Shri Sanjay Somany and Shri Mukul Somany, Directors are brothers. None of the other Directors are related to each other.

### Report on Corporate Governance

- Details of equity shares of the Company held by the Directors as on March 31, 2023 are given below:-

Name	Category	Number of equity shares
Shri Sanjay Somany	Executive Director, Non Independent	3112865
Shri Mukul Somany	Executive Director, Non Independent	4021370
Shri Ratna Kumar Daga	Non-Executive Independent Director	Nil
Smt. Rita Bhimani	Non-Executive Independent Director	Nil
Shri Amal Chandra Saha	Non-Executive Independent Director	Nil

- Meeting of the RP & Directors held during the year :

In the financial year 2022-23, 4 (Four) Meeting of the RP & Directors were held. The interval between two meetings was well within the maximum period mentioned under Companies Act, 2013 and the Listing Regulations:

Sl. No.	Date of Meeting	During the quarter	No. of Directors Present
1.	24 <sup>th</sup> May, 2022	April 2022 - June 2022	4
2.	8 <sup>th</sup> August, 2022	July 2022 - September 2022	5
3.	11 <sup>th</sup> November, 2022	October 2022- December 2022	5
4.	9 <sup>th</sup> February, 2023	January 2023- March 2023	5

The meetings are normally convened on the directions received from the RP. A detailed agenda along with relevant notes and other material information are sent in advance separately to each Director and RP and in exceptional cases, tabled at the meeting with the approval of the RP & Directors. This ensures timely and informed decisions by the Director/RP. The minutes of the Committees are regularly placed before the RP & Directors.

The RP/Directors also periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company.

The important decisions taken at the Meeting of the RP & Directors are communicated to the concerned departments.

- Availability of information to the Directors/RP

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Directors/RP and the Committees, to the extent it is applicable and relevant.

## Corporate Governance Report

- **Independent Directors' Meeting**

During the year, a separate meeting of the Independent Directors was held on 17<sup>th</sup> March, 2023 without the attendance of the Non- Independent Directors and the Members of the Management, inter-alia, to discuss the performance of Non-independent Directors including that of the Chairman of the Company, taking into account the views of the Executive Directors, assess the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties and other related matter.

All the Independent Directors were present in the Meeting.

- **Familiarization Programs for Independent Directors**

The Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

The details of such familiarization programs for Independent Directors are posted on the website of the Company at <https://www.hngil.com/uploads/ad747491d1c5d9c2e36c0078d8f3749e.pdf>.

- **Expertise and Competence of the Directors**

The Company has a balanced and diverse Board. The Non-Executive Directors including Independent Directors on the Board are well-qualified, experienced, competent and renowned persons from the fields of container glass manufacturing, finance, banking, taxation, economics, law and governance etc. They take active part at the Directors and Committee Meetings, by providing guidance and expert advice to the RP & Directors and the Management, on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board.

Briefly, the expertise of Directors are:

Shri Sanjay Somany & Shri Mukul Somany are the leaders in the organized Indian container glass market. Having gained more than 29 years of experience in such manufacturing industry, they became acknowledged experts in glass business. Shri Mukul Somany is an expert in finance as well as marketing fields also.

Shri Ratna Kumar Daga has a vast experience in the fields of engineering, finance and economics. He advise Board and Committee in such fields.

Smt. Rita Bhimani is the veteran of public relations and expert in the area of Human Resources. She advise Board in such fields.

Shri Amal Chandra Saha is a veteran banker. With his rich experience in the fields of banking sector the Company is strengthening its base in banking skills.

- The RP & Directors have confirmed that Independent Directors of the Company fulfil the conditions specified in Listing Regulations and are Independent of the management.

### 3. Audit Committee

#### —Terms of Reference

The Company constituted an Audit Committee in the year 2000. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulations and Sec.177 of the Companies Act, 2013, as applicable, besides other terms as referred by the RP in the Directors. This term of reference were revised in F.Y. 2020-21 to make them in line with requirements of SEBI (LODR) 2015, and Includes:-

1. The recommendation for appointment, remuneration and terms of appointment of Statutory Auditors of the Company.
2. Review and monitor the auditor's independence and performance and effectiveness of audit process.
3. Examination of the Financial Statement and the Auditor's Report thereon.

## Corporate Governance Report

4. Approval or subsequent modification of transactions of the Company with the related parties.
5. Scrutiny of inter-corporate loans and investments.
6. Valuation of undertakings or assets of the Company, wherever it is necessary.
7. Evaluation of internal financial controls and risk management systems.
8. Monitoring the end use of funds raised through public offers and related matters.
9. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

- **Composition, meetings and attendance during the year**

In the F.Y. 2022-23, 7 (Seven) meetings of the Audit Committee were held and the attendance of each member of the Committee are given below.

- **Dates of meetings:**

24 <sup>th</sup> May, 2022	12 <sup>th</sup> July, 2022	11 <sup>th</sup> August, 2022	11 <sup>th</sup> November, 2022
23 <sup>rd</sup> December, 2022	9 <sup>th</sup> February, 2023	23 <sup>rd</sup> March, 2023	

Members of the Audit Committee have the requisite financial and management expertise. The Chairman of the Audit Committee attended the 76th Annual General Meeting of the Company.

— Total strength of the Audit Committee: Three

Designation	Members	Category	Number of meetings held	Number of meetings Attended
Chairman	Shri Ratna Kumar Daga	Non-Executive, Independent Director	7	7
Member	Shri Amal Chandra Saha	Non-Executive, Independent Director	7	7
Member	Shri Mukul Somany	Executive Director	7	4

The Chairman of the Board, Chief Financial Officer, Internal Auditor, Statutory Auditor and other Senior Officials are invited to attend the meetings, as and when required.

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

- **Internal Control and Governance Process**

The Company has In-house Management Team to review and report on Internal Control Systems. The Report of the In house Management Team is reviewed by the Audit Committee periodically.

The Committee mandatorily reviews information such as Internal Audit Reports related to internal control weakness, management discussion & analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

#### 4. Nomination & Remuneration Committee

- Terms of Reference – To formulate and determine the Company's policy regarding remuneration packages for Directors including any compensation payments.
- Composition, Meetings and Attendance during the year

In the financial year 2022-23, 1 (One) meeting of the Nomination & Remuneration Committee was held on 17th March, 2023

## Corporate Governance Report

Designation	Members	Category	Number of meetings held	Number of meetings Attended
Chairman	Shri Ratna Kumar Daga	Non-Executive, Independent Director	1	1
Member	Smt. Rita Bhimani	Non-Executive, Independent Director	1	1
Member	Shri Amal Chandra Saha	Non-Executive, Independent Director	1	1

### Nomination & Remuneration Policy of the Company

A Nomination & Remuneration Policy of the Company is attached as "Annexure I" and forms part of the Board's Report.

### Details of the remuneration paid to the Directors during 2022-23

- To Non-Executive Directors**

The Independent and Non-Executive Directors are entitled to a sitting fee of Rs. 20,000/- for attending each meeting of the Board, Rs.15,000/- for attending each Meeting of the Audit Committee and Rs.10,000/- for attending each Meeting of the Nomination & Remuneration Committee. No remuneration paid for attending the meetings of the Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee and Treasury Management Committee respectively.

- The details of sitting fees paid and commission payable during 2022-23 are as follows:**

(In `)

Directors	Business relationship with HNG	Sitting fees	Commission	Total
Shri Ratna Kumar Daga	None	1,95,000.00	--	1,95,000.00
Smt. Rita Bhimani	None	70,000.00	--	70,000.00
Shri Amal Chandra Saha	None	1,95,000.00	--	1,95,000.00
<b>Total</b>		<b>4,60,000.00</b>		<b>4,60,000.00</b>

- To Executive Directors**

The details of remuneration paid to Executive Directors, during F.Y. 2022-23 is NIL

### Note:

Since the Company is under CIRP, the Board is suspended and no remuneration is given to the Executive Directors.

## 5. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Schedule V of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the Board has formed a framework for formal Annual Evaluation of performance of Committee and Directors. The primary objective of the Policy is to provide a framework and set standards for the evaluation of the Board as a whole, its Committees and Directors. The Company aims to achieve a balance of merit, experience and skills on the Board. The Board's policy is to assess the effectiveness of the Board as a whole and its Board Committees. Individual Board members are assessed on their effective contribution and commitment to their role and responsibilities as Directors.



## Corporate Governance Report

### 6. Stakeholders' Relationship Committee

#### Composition, Meetings and attendance during the year

During the year under review, 4 (Four) meetings were held as on 24<sup>th</sup> May, 2022, 11<sup>th</sup> August, 2022, 11<sup>th</sup> November, 2022 and 9<sup>th</sup> February, 2023.

Designation	Members	Category	Number of meetings held	Number of meetings Attended
Chairman	Shri Ratna Kumar Daga	Non-Executive, Independent Director	4	4
Member	Shri Sanjay Somany	Executive, Director	4	4
Member	Shri Mukul Somany	Executive Director	4	4

#### Terms of Reference -

The Committee mainly looks into the matters of Shareholders/Investors grievances. Mr. Mukund Chandak, Company Secretary acted as the Compliance Officer of the Company during the year under review.

#### Shareholders' complaints and pending share transfer

No investor grievance was pending at the beginning and at the end of the F.Y. 2022-23 and there were no investor grievances during the year under review also.

### 7. Corporate Social Responsibility (CSR) Committee

Total strength of the Corporate Social Responsibility (CSR) Committee: Three

Designation	Members	Category
Chairman	Shri Mukul Somany	Executive Director
Member	Shri Sanjay Somany	Executive Director
Member	Smt Rita Bhimani	Independent, Non-executive Director

However, after the initiation of CIRP, all the meetings of CSR committee are chaired by the RP.

The Directors continue to hold their respective positions/designations in the company and are required to extend all assistance and cooperation to the RP as required in managing the affairs of the Company.

The Roles and Responsibilities of the Committee are as follows:

- To frame the CSR Policy and to review the same, time to time.
- To ensure effective implementation and monitoring of the CSR activities, as per the approved policy.
- To ensure compliance with the various laws, rules and regulations.
- The Committee shall identify any one or more of the activities, as specified in the policy and as may be approved by the Government from time to time.

During the year under review, no meeting was held. Since, the Company is incurring losses, no expenditure was incurred on account of CSR activities.

### 8. Treasury Management Committee

This is a non – mandatory Committee as per requirements of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 or previous listing agreement. However, this Committee was constituted on 09<sup>th</sup> May, 2005 for smooth functioning of business and banking activities.

Total strength of the Treasury Management Committee: Three

## Corporate Governance Report

Designation	Members	Category
Chairman	Shri Mukul Somany	Executive Director
Member	Shri Sanjay Somany	Executive Director
Member	Shri Ratna Kumar Daga	Independent, Non-executive Director

### The Roles and Responsibilities of the Committee are as follows:-

- To borrow for and on behalf of the Company, various types of loans, both secured and unsecured loans, either in foreign currency or Indian currency.
- To affix Common Seal of the Company on the facility documents.
- To delegate authority to execute relevant documents and to do such other acts, deeds and things, that may be necessary or incidental in relation to availing such facilities, provided by various Banks / Financial Institutions.

During the year under review, no meeting was held.

### 9. Subsidiary

As on 31st March, 2023, the Company does not have any Subsidiary.

### 10. Whistle Blower Policy

The Whistle Blower Policy of the Company is in place. The details of such policy are posted on the website of the Company at <https://www.hngil.com/uploads/6d68cf57fb915efa23aa97c7b76c0301.pdf>

### 11. General Body Meetings

The Details of day, date, venue and timings of the last three Annual General Meetings held are as follows:

General Meeting	Venue	Day & Date	Time
76th Annual General Meeting	Conducted through Video Conferencing and Other Audio Visual means	Wednesday, 28th September, 2022	11.30 a.m.
75th Annual General Meeting	Conducted through Video Conferencing and Other Audio Visual means	Saturday, 18th September, 2021	11.00 a.m.
74th Annual General Meeting	Conducted through Video Conferencing and Other Audio Visual means	Wednesday, 15th July, 2020	10:00 a.m.

### Report on Corporate Governance

Details regarding Special Resolutions passed during the previous three AGMs are given below:

Shareholders' Meeting	Special Business requiring Special Resolution
76th Annual General Meeting	No Special Resolution was passed at the Meeting
75th Annual General Meeting	No Special Resolution was passed at the Meeting
74th Annual General Meeting	No Special Resolution was passed at the Meeting

### 12. Disclosures

There were no materially significant related party transactions made by the Company with its Promoters, Directors or the management and its subsidiaries or relatives, among others, that may have potential conflict with the interests of the Company at large and are carried at arm's length basis or fair value. The Register of Contracts containing the transactions in which the Directors are interested, is placed before the Meetings regularly for its approval. As required under the Listing Regulations, the Company has formulated a policy on dealing with related party transaction and the same is available on the website of the Company (<https://www.hngil.com/uploads/c90668a5f25a922faa07d164c0a9568c.pdf>)

Related party transactions are in the ordinary course of business and are reported to the Audit Committee. Such transactions are disclosed in note no. 2.38 of Notes on Financial Statements in the Annual Report.

During the last three years, there were no restriction or penalties imposed on the Company by either the Securities and Exchange Board of India (SEBI) or the Stock Exchanges, or any other statutory authority for non-compliance of any matter



## Corporate Governance Report

related to the capital market however, pursuant to the notice no. NSE/SURV/37979 dated 08th June, 2018 issued by NSE wherein the Exchanges have implemented Additional Surveillance Measures (ASM) to safeguard the interest of investors of the Companies which are undergoing CIRP under IBC. The securities of such companies shall be monitored on a pre-determined objective criteria and Margin shall be levied at the 100% once the criteria gets satisfied. These securities shall be further monitored for an objective criterion and shall be shifted to Trade for Trade Segment once the criteria get satisfied.

Subsequently, vide notice no. NSE/SURV/52368 dated 20<sup>th</sup> May 2022 issued by NSE wherein SEBI and Exchanges had issued a revised criterion for framework for ASM of the aforesaid Companies. Recently, vide notice no NSE/SURV/57483 dated 7<sup>th</sup> July, 2023 issued by NSE, the exchange has released a list of companies under IBC which satisfies the criteria of ASM with effect from 10<sup>th</sup> July 2023 which includes the name of the Company. As per the said ASM criteria, the shares of the Company have been categorized under Stage 1 of IBC wherein the shares of the Company are presently allowed to be traded once a week.

The Company conducts periodic reviews and reporting to the RP & Directors regarding risk assessment by senior executives with a view to minimise risk.

During the financial year 2022-23, the Company did not make any public or right issue.

The Financial Statements for 2022-23 were prepared in accordance with the applicable Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013.

Both the Directors and the Chief Financial Officer of the Company have certified to the Board in accordance with SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015 pertaining to CEO/CFO certification for the financial year ended 31st March, 2023. Such certificate is enclosed to this report.

Pursuant to the requirement of Regulation 26(3) of SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015, the Company has adopted a 'Code of Conduct for Directors and Senior Management'. The Directors and designated employees of the Company have complied with the provisions of the said Code of Conduct. The Code of Conduct is also hosted on our website. All members of the Board and Senior Management personnel have affirmed compliance to the Code as on 31<sup>st</sup> March, 2023. A declaration in this connection from Chairman & Director and Vice Chairman & Director is enclosed to this report.

Two sets of Codes - Code of Practice and procedures for fair Disclosure of Unpublished Price Sensitive Information & Code of Conduct to regulate, monitor and report trading by insiders/ designated persons have been adopted by the Board, in accordance with SEBI (Prohibition of Insider Trading) Regulation 2015.

Disclosures of transactions of Hindusthan National Glass & Industries Limited with any person or entity belonging to the promoter/promoter group, which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results.

Name of Person or Entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding	Percentage Shareholding as on 31st March, 2023	Type of Transaction During the Year	Amount of Transaction During the Year (' in Lacs)
Spotlight Vanijya Limited	18.09	-	-
Brabourne Commerce Private Limited	24.29	-	-

For more details, Kindly refer note no. 2.38 of the notes on Financial Statement for year ended 31st March, 2023. The Management Discussion and Analysis forms a part of this Annual Report.

Information with respect to 'Foreign Exchange Risk and Hedging Activities' form an integral part of the Notes to the Financial Statements.

### 13. Means of Communication

The quarterly, half-yearly and the annual financial results are published in the proforma prescribed under the Listing Regulations, in one English Newspaper (normally in Business Standard) having wide circulation and another in the vernacular language in Bengali (normally in Duranta Barta). Moreover, the quarterly/annual results and official news

## Corporate Governance Report

releases along with various other information, are generally sent to the Stock Exchanges, as well as hosted on Company's website i.e www.hngil.com.

### 14. General shareholder information

Incorporation	The Company was incorporated in Calcutta, in the Province of Bengal, on
Corporate Identification Number (CIN)	February 23, 1946. L26109WB1946PLC013294
Date, time and venue/Mode of AGM	Tuesday, 12th September, 2023. through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
Financial calendar (Tentative)	April 2023 to March 2024
1st quarter results by	2nd week of August, 2023
2nd quarter results by	2nd week of November, 2023
3rd quarter results by	2nd week of February, 2024
4th quarter results by	3rd / 4th Week of May, 2024
Date of Book Closure	6th September, 2023 to 12th September, 2023

#### • Listing on Stock Exchanges

Your Company's shares are listed on the following Stock Exchanges

- |   |   |   |
|---|---|---|
| 1] The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata - 700 001 Email:cseadm@csceindia.com Website : www.cse-india.com Scrip code : 10018003. | 2] BSE Limited, 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Email:corp.relations@bseindia.com Website : www.bseindia.com Scrip code : 515145. | 3] National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051 Email : cmlist@nse.co.in Website :www.nseindia.com Scrip symbol : HINDNATGLS. |
|---|---|---|

- Listing fees paid for the year 2023-24 for all the above Stock Exchanges.

- High / Low share price data

1] According to the data provided by The Calcutta Stock Exchange Ltd., there was no transaction in the Company's equity shares during the year under review at the said Stock Exchange.

2] The details of transactions in the Company's equity shares at the BSE Limited and National Stock Exchange of India Limited, during the year and the respective high / low price data are given below:

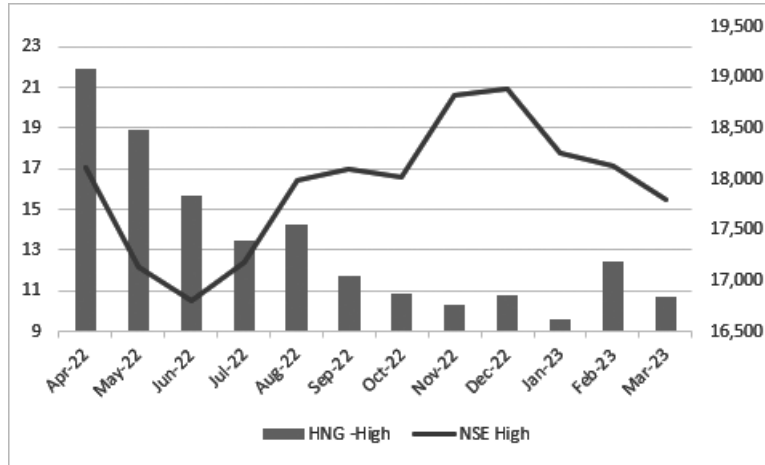
#### At BSE Limited

Month	High (in Rs)	Low (in Rs)	Volume (shares)
April, 2022	21.95	14.65	2242567
May, 2022	18.90	13.00	447854
June, 2022	15.69	11.22	324677
July, 2022	13.47	11.56	183795
August, 2022	14.22	10.55	630950
September, 2022	11.70	9.71	53277
October, 2022	10.84	7.86	1012043
November, 2022	10.34	8.44	2135
December, 2022	10.75	8.86	101717
January, 2023	9.58	7.55	126658
February, 2023	12.44	8.15	791313
March, 2023	10.67	9.16	12846

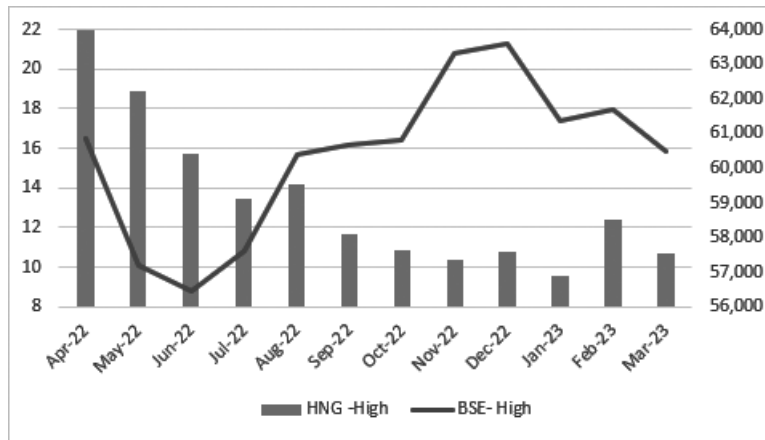
#### At National Stock Exchange of India Limited

Month	High (in `)	Low (in `)	Volume (shares)
April, 2022	21.10	14.60	4648570
May, 2022	18.85	13.30	1484493
June, 2022	15.25	11.45	2030359
July, 2022	13.75	11.85	129245
August, 2022	12.55	10.30	1498532
September, 2022	11.50	9.40	411359
October, 2022	10.75	7.70	1806999
November, 2022	10.30	8.15	177984
December, 2022	10.75	9.35	443129
January, 2023	8.85	7.60	251854
February, 2023	12.30	8.15	507798
March, 2023	10.25	9.15	79285

## Corporate Governance Report



Source: www.bseindia.com



Source: www.nseindia.com

<p>Registrar and Share Transfer Agent</p>	<p>In compliance with the SEBI directive, the Company has appointed M/s Maheshwari Datamatics Private Limited, as its Registrar and Share Transfer Agent having registered office at 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001, Email id:- mdpldc@yahoo.com., Telephone – 033- 2248-2248/5029 for all matters relating to shares, both in physical as well as in dematerialised mode. However, documents relating to shares are also received at the Company’s Registered Office at 2, Red Cross Place, Kolkata 700 001. Tel. No : (033) 2254 3100, Fax No: (033) 2254 3130</p>
<p>Share Transfer System</p>	<p>The transfer of shares in physical form is processed and completed by M/s. Maheshwari Datamatics Private Limited within prescribed times, from the date of receipt thereof, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective depository participants</p>

## Corporate Governance Report

### • Distribution of shareholding as on 31<sup>st</sup> March, 2023

No. of equity shares held	Holders		%		Shares		%	
1 to 5,000	13733		96.8273		5080284		5.6729	
5,001 to 10,000	195		1.3749		1491217		1.6652	
10,001 to 20,000	114		0.8038		1728810		1.9305	
20,001 to 30,000	50		0.3525		1190811		1.3298	
30,001 to 40,000	14		0.0988		499909		0.5582	
40,001 to 50,000	13		0.0917		605702		0.6763	
50,001 to 1,00,000	19		0.134		1376819		1.5374	
1,00,001 to above	45		0.3173		77580013		86.6298	
<b>Grand Total</b>	<b>14183</b>		<b>100</b>		<b>895553565</b>		<b>100</b>	
No of shareholders in:	No. of Records (as per Folio/ Client ID)	No. of Records (as per Pan)	%		No. of Shares (as per Folio/ Client ID)	No. of Shares (as per Pan)	%	
Physical Mode	13	12	0.0917	0.0917	4431	4431	0.0049	0.0049
Electronic Mode								
NSDL	4504	4420	31.7563	31.7563	74332554	74332554	83.0035	83.0035
CDSL	9666	9515	68.1520	68.1520	15216580	15216580	16.9916	16.9916
<b>Total</b>	<b>14183</b>	<b>13947</b>	<b>100</b>	<b>100</b>	<b>89553565</b>	<b>8953565</b>	<b>100</b>	<b>100</b>

### • Shareholding Pattern as on 31st March, 2023

Category	No. of shares	%
Promoters & Associates	3338840	0.7273
Institutions - F.P.I	910	0.0010
Domestic Companies	6357760	7.0994
Resident Individuals	19400812	21.6639
Foreign residents and NRI's	209286	0.2337
I.E.P.F.	109703	0.1225
Clearing Member	136254	0.1521
<b>Total</b>	<b>89553565</b>	<b>100</b>

### • Dematerialisation of shares and liquidity

As on 31<sup>st</sup> March, 2023, 89,549,134 shares comprising of 99.99% of the paid up capital of the Company, are in dematerialised mode. The promoters of the Company, holds around 70.73% of the Paid up Capital of the Company, as on 31<sup>st</sup> March, 2023, of which all the shares are held in dematerialized mode.

### • Details of Secured Non-Convertible Debentures

Sl. No	Name of the Debenture Holder	ISIN	Issue Amount	Coupon Rate
1	Life Insurance Corporation of India (Listed on the BSE limited )	INE952A07045	100,00,00,000	10.40% p.a.
2	Life Insurance Corporation of India (Listed on the BSE limited)	INE952A07037	100,00,00,000	10.40% p.a.

### • Demat ISIN Number of Company's Equity Shares for NSDL and CDSL

INE952A01022





## Corporate Governance Report

- **Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and the likely impact on equity.** None
- **Plant locations**

### The Company has seven plants, located at:

1. 2, Panchu Gopal Bhaduri Sarani, Rishra - 712 248, Dist. Hooghly, West Bengal, Phone : (033) 2600 0200, Fax (033) 2600 0333
2. Bahadurgarh – 124507, Dist: Jhajjar, Haryana. Phone: (0126) 221400 Fax – (0126) 221666
3. P.O. Virbhadr, Rishikesh - 249201 Dist. Dehradun, Uttarakhand Phone : (0135) 2470700, Fax (0135) 2470777
4. Thondamanatham Village, Vezhudavoor S. O. Puducherry - 605 502 Phone : (0413) 2677319, Fax (0413) 2677366/2677666
5. Nashik Glass Work, F1, MIDC Malegaon, Dist. Sinnar, Nashik - 422113 Phone : (025511) 228900, Fax (025511) 228999
6. 14, RIICO Industrial Area Neemrana, Distt. Alwar Pin - 301705 (Rajasthan) Tel - 01494 - 246712, 513935 Fax - 01494 - 246713
7. Sy. No. 12-299 APIIC Industrial Park, Venkatagiri Road, Menakuru village, Naidupeta SPSR Nellore district 524421, Andhra Pradesh Phone: 91-8623-211001

- **Address for correspondence**

Company Secretary & Compliance Officer  
Hindusthan National Glass & Industries Ltd  
2, Red Cross Place, Kolkata 700 001  
Telephone No. (033) 2254 3100  
Fax No. (033) 2254 3130  
Email : cosec@hngil.com  
E-mail ID for investors' grievancecosec@hngil.com

- List of all credit ratings obtained by the entity along with any revisions thereto, during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity, involving mobilization of funds, whether in India or abroad are disclosed on the website of the Company.
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).** – Not applicable.
- A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority as on 31.03.2023 is attached to this report.
- The Board has accepted all recommendation of its all Committees, during the year under review.
- Total fees for all services paid by the listed entity to the Joint statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part. – Rs. 36.18 lacs.
- During the year under review, the Company has no Subsidiary/ Joint Venture/Associate Company and hence the Financial statement has been prepared on Standalone Basis.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - a. number of complaints filed during the financial year - Nil
  - b. number of complaints disposed of during the financial year - Nil
  - c. number of complaints pending as on end of the financial year - Nil
- Non-mandatory requirements specified under Part E of Schedule II of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015:

## Corporate Governance Report

- The Board At present, the RP is acting as Chairman of the Company, The Chairman doesn't have a separate office in the Company. The Registered Office supports the Chairman in discharging his responsibilities.
- Shareholders' Right Half-yearly results including summary of the significant events are currently not being sent to the shareholders of the Company. However, quarterly results are posted at the Company's website, in addition to being published into two newspapers, one in English and another in Vernacular language.
- Reporting of Internal Auditors The Internal Auditors Report to the Audit Committee of the Company, to ensure independence of the Internal Audit function.

- The disclosure of the compliance with Corporate Governance requirement specified in regulation 17 to 27 and regulation 46(2) (b) to (i)

Sl. No.	Particulars	Regulation Number	Compliance Status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1), 17(1A) & 17(1B)	Yes
3	Meeting of Board of directors	17(2)	Yes
4	Quorum of Board meeting	17(2A)	Yes
5	Review of Compliance Reports	17(3)	Yes
6	Plans for orderly succession for appointments	17(4)	Yes
7	Code of Conduct	17(5)	Yes
8	Fees/compensation	17(6)	Yes
9	Minimum Information	17(7)	Yes
10	Compliance Certificate	17(8)	Yes
11	Risk Assessment & Management	17(9)	Yes
12	Performance Evaluation of Independent Directors	17(10)	Yes
13	Recommendation of Board	17(11)	Yes
14	Maximum number of Directorships	17A	Yes
15	Composition of Audit Committee	18(1)	Yes
16	Meeting of Audit Committee	18(2)	Yes
17	Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
18	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
19	Meeting of Nomination and Remuneration Committee	19(3A)	Yes
20	Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	Yes
21	Meeting of Stakeholders Relationship Committee	20(3A)	Yes
22	Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA
23	Meeting of Risk Management Committee	21(3A)	NA
24	Vigil Mechanism	22	Yes
25	Policy for Related Party Transactions	23(1),(1A),(5),(6),(7) & (8)	Yes
26	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
27	Approval for material related party transactions	23(4)	Yes
28	Disclosure of related party transactions on consolidated basis	23(9)	Yes
29	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
30	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA

## Corporate Governance Report

Sl. No.	Particulars	Regulation Number	Compliance Status (Yes/No/NA)
31	Annual Secretarial Compliance Report	24(A)	Yes
32	Alternate Director to Independent Director	25(1)	NA
33	Maximum Tenure	25(2)	Yes
34	Meeting of independent directors	25(3) & (4)	Yes
35	Familiarization of independent directors	25(7)	Yes
36	Declaration from Independent Director	25(8) & (9)	Yes
37	D & O Insurance for Independent Directors	25(10)	Yes
38	Memberships in Committees	26(1)	Yes
39	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
40	Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
41	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

\* Formation of Risk Management committee is applicable to top 1000 listed companies only. Our Company is not included in top 1000 listed Companies.

- **Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

- **Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account:**

Not applicable as no shares are lying in Suspense Account.

For and on behalf of the Company

**Girish Siriram Juneja**

Chairman

Place : Kolkata

Date : 23<sup>rd</sup> May 2023

## Corporate Governance Report

### Declaration

All the Board Members and the Senior Management personnel have affirmed their compliance with the 'Code of Conduct for Directors and Senior Management' for the financial year 2022-23 in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Place : Kolkata  
Date : 23rd May, 2023

**Sanjay Somany**  
*Director*  
DIN: 00124538

**Mukul Somany**  
*Director*  
DIN: 00124625

### CEO & CFO Compliance Certificate

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended 31st March, 2023 and to the best of our knowledge and belief:
  - i. These statements does not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company, during the year ended 31st March, 2023 are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company, pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year under reference;
  - ii. significant changes in the accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date : 23rd May, 2023

**Sanjay Somany**  
*Director*  
DIN: 00124538

**Mukul Somany**  
*Director*  
DIN: 00124625

**Bimal Kumar Garodia**  
*President & Chief Financial Officer*



## Independent Auditors' Report

To the Members of

**Hindusthan National Glass & Industries Limited**

**Report on the Audit of the Financial Statements**

### **CORPORATE INSOLVENCY PROCEEDINGS AS PER INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

The Hon'ble National Company Law Tribunal, Kolkata Bench (hereinafter referred to as "the NCLT") had admitted an insolvency and bankruptcy petition filed by a financial creditor against **Hindusthan National Glass & Industries Limited** (hereinafter referred to as "the Company") on 21st October 2021 and had appointed Resolution Professional (hereinafter referred to as "the RP") who has been vested with management of affairs and powers of the Board of Directors with direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "the Code") and other related Rules. The detailed proceedings that have happened till the date of signing of this report has been described in Note no. 1.1 on "Corporate Information".

### **QUALIFIED OPINION**

We have audited the accompanying financial statements of Hindusthan National Glass & Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended from time to time ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March 2023 and its Loss (including Other Comprehensive Income), Changes in Equity and its Cash Flows for the year ended on that date.

### **BASIS FOR QUALIFIED OPINION**

- a) Refer Note No. 2.40 of the financial statements which states that the company has accumulated losses and its net worth has been eroded. The company has incurred net loss during the current year and in the earlier year(s), the company's current liabilities exceed its current assets and the company has a high debt-equity ratio (Debt being Rs. 2,26,364.70 lakhs and Equity being Rs. (99,762.37) lakhs) as at 31st March 2023, earnings per share is negative. In our opinion, based on the above, the company does not appear to be a going concern. Pending approval of the resolution plan as stated in Note No. 1.1 of the financial statement the status of the Company being going concern and impact arising therefrom as such cannot be commented upon by us.
- b) Pursuant to the initiation of Corporate Insolvency Resolution Process ("CIRP"), RP had appointed Transactional Auditors for conducting the transaction audit as per section 43 to 50 and 66 of the Code. The transaction auditor vide their report dated 9th September 2022 has identified certain transactions to be classified under section 66 of the IBC and accordingly the RP has filed an application under section 66 of the Code with the NCLT, the final decision and outcome thereof as such is pending as on the date. Thereby, future course of action and impact on this being dependent on the decision of the NCLT presently cannot be commented upon by us.
- c) Refer Note no. 2.13.5 of the financial statements, 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 the absence of any balance confirmation from the lenders and consequent reconciliation with the outstanding balances, impact thereof, if any, on the reported figures, cannot be ascertained. Also, Refer Note No. 2.48 of the financial statements regarding the pending reconciliations of admitted claims of financial creditors, operational creditors and others with the books of accounts, impact if any that may arise has not been ascertained and/or considered in the preparation of the financial statements for the year ended 31st March 2023.
- d) As stated in Note no. 2.22.1 of the financial statements regarding the non-accounting of interest of Rs. 28,639.27 lakhs as calculated by the company on outstanding borrowings (including Non-Convertible Debentures) post initiation of Corporate Insolvency Resolution Process ("CIRP") with effect from 21st October 2021 under Section 14 of Insolvency and Bankruptcy Code, 2016 ("IBC").

## Independent Auditors' Report

- e) As stated in Note no. 2.13.6 of the financial statements, 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 21st October 2021 (date of initiation of CIRP) as against exchange rate of Rs. 82.2169 per USD as on 31st March 2023 and thereby the exchange loss of Rs. 4,779.64 lakhs including Rs. 669.23 lakhs pertaining to the previous year has not been reinstated in the books of accounts. Interest outstanding on the said ECB borrowings amounting to USD 120.30 Lakhs has also not been restated, however, the impact on the same is currently not ascertainable.
- f) Rs. 1,238.42 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, claim amounting to Rs. 131.24 lakhs have been accounted for based on the details submitted by the bank in earlier year, however no proper supporting, documents etc. from the bank are not available. The remaining amount of Rs. 1,107.18 lakhs is lying unadjusted in the books of accounts (Refer Note no. 2.7.B.1) as on 31st March 2023, which is subject to confirmation from the bank.
- g) Refer Note No. 2.53 regarding non-reconciliation of certain debit and credit balances with individual details and confirmations etc. Adjustments/ impact if any, as stated in the said note including those arising on approval of the resolution plan pending ascertainment thereof has not been given effect to in the financial statements.
- h) Impact with respect to point no. (c), (d), (e) and (f) are currently not ascertainable pending approval of resolution plan and completion of CIRP Process.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" 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 (ICAI) together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31st March 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the "Auditors' Responsibilities for the audit of the Financial Statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our qualified opinion on the accompanying financial statements.



## Independent Auditors' Report

Sl. No.	Key Audit Matter	Auditor's Response
1	<p><b>Valuation of Inventories</b></p> <p>We refer to Note 1.3.7 and 2.5 of the financial statements.</p> <p>As at 31st March 2023, the total carrying amount of inventories was Rs. 42,516.29 lakhs. The assessment of impairment of inventories involves significant estimation uncertainty, subjective assumptions and the application of significant judgment.</p> <p>Reviews are made periodically by management on inventories for obsolescence and decline in net realizable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving history. Key factors considered include the nature of the stock, its ageing, shelf life and turnover rate.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>We have checked and analyzed the ageing of the inventories, reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventories obsolescence.</li> <li>We conducted a detailed discussion with the Company's key management and considered their views on the adequacy of allowances for inventories obsolescence considering the current economic environment.</li> <li>We have also reviewed the subsequent selling prices in the ordinary course of business and compared them against the carrying amount of the inventories on a sampling basis at the reporting date.</li> <li>We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence.</li> </ul>
2	<p><b>Property, Plant and Equipment (PPE) – Impairment Assessment</b></p> <p>The Company has been incurring continuous losses in previous years and in the current year due to various internal and external factors. As at 31st March 2023, the carrying amount of the PPE amounted to Rs. 1,58,412.16 Lakhs.</p> <p>The management on an annual basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, assesses if there are any indicators that the PPE is impaired and if indicators exist, performs an impairment test at the Cash Generating Unit (CGU) level by making an estimate of recoverable amount, being the higher of fair value less costs to sell and value in use.</p> <p>Considering the continuous losses incurred by the Company, the probability of impairment could be dependent on assumptions and methodology used for the fair valuation of the PPE by the management appointed external experts.</p> <p>Impairment assessment of the PPE is considered as a Key Audit Matter since there is significant management judgements and estimates involved in the impairment assessment, such as:</p> <ul style="list-style-type: none"> <li>The determination of recoverable amount, being the higher of value-in-use and fair value less costs to dispose.</li> <li>The methodology used in determination of the fair value of assets by management appointed external experts is dependent on interpretation of the valuation standards and the assumptions used such as inflation, index rates, useful lives, salvage value.</li> </ul>	<p>Our audit procedures include the following:</p> <p>Our audit procedures included validating the appropriateness and reasonableness of the fair valuation approach and assumptions used for determining the fair value of assets by external experts through performing the following:</p> <ul style="list-style-type: none"> <li>Obtained the understanding of controls instituted by the management to assess impairment indicators and perform impairment assessment.</li> <li>Evaluation design and operating effectiveness of the management controls over the impairment assessment process and review of fair valuation report obtained from the external experts.</li> <li>Evaluated the reasonableness of the fair valuation methodology used and the assumptions made for determining the fair value (such as useful life of the assets, salvage value, inflation and index rate) of the assets at CGU level using our internal fair valuation specialists.</li> <li>Tested the mathematical accuracy and performed sensitivity analysis in order to assess the potential impact on the recoverable amount.</li> <li>Reconciled the carrying amount of the category wise assets as per the valuation report provided by the management and as per the books of account.</li> <li>Evaluated the accuracy of disclosures in the financial statements with respect to the impairment of PPE.</li> <li>We have also been provided with the Impairment study report conducted by the third party and have relied on the same.</li> </ul>

## Independent Auditors' Report

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Directors and the RP are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The financial statements of the Company for the year ended 31st March 2023 have been taken on record by the RP while discharging the power of the Board of Directors of the Company which were conferred on him in terms of the provision of section 17 of the Code. For the said purpose or explained in note no. 1.1 of the financial statements, the RP has relied upon the certification, representations, statements and other relevant information provided by the Directors and other Officers of the Company in relation to these financial statements.

The Company's Directors and the RP is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors and RP is 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.

Those Directors and RP are also responsible for overseeing the Company's financial reporting process.

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 financial statements, 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.

## Independent Auditors' Report

- 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 an adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

The financial statements of the company for the year ended 31st March, 2022 was jointly conducted and reported by the joint auditors. One of them is predecessor audit firm and had expressed a qualified opinion vide their audit report dated 24th May, 2022. Reliance has been placed on the figures and other information incorporated for the purpose of the financial statements. Our opinion is not modified in respect of the above matter.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) Except for the effects of the matter described in the Basis of Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

## Independent Auditors' Report

- (d) Except for the matter referred to in "Basis for Qualified Opinion" section of our report, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards notified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the Directors and taken on record by the Board, none of the Directors are disqualified as on 31st March 2023, from being appointed as a director in terms of section 164(2) of the Act. However, considering the fact, that the Company has defaulted in payment of Interest on Non-Convertible Debentures from the dates mentioned in Note No. 2.13.7(D) of the financial statements, in our opinion, all the Directors are disqualified from being appointed as Director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with respect to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion, and to the best of our information and according to the explanations given to us, the company has not paid any managerial remuneration during the financial year other than the sitting fees to its Independent Directors which is in accordance with the provisions of section 197(5) read with Rule 4 of Companies (Appointment & Remuneration of the Managerial Personnel) Rule, 2014 (as amended) of the Act.

- (i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed (other than those already recognized in the accounts) the impact of pending litigations on its financial position in its financial statements - Refer Note No. 2.35.1 of the financial statements.
  - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts. The Company has not entered into any derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a. The RP and the Directors has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries (Refer Note 2.56 to the financial statements).
  - b. The RP and the Directors has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, during the year no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 2.60 to the financial statements).
  - c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph (2)(j)(iv) (a) & (b) above, contain any material mis-statement.



## Independent Auditors' Report

- v. The Company has not declared any dividend in previous financial year which has been paid in current year. Further, no dividend has been declared in current year. Accordingly, the provision of section 123 of the Act is not applicable to the company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended) for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the financial year ended 31st March 2023.

**For Lodha & Co**  
Chartered Accountants  
Firm Registration No.: 301051E

**INDRANIL CHOUDHURY**  
Partner  
Membership No. 058940  
UDIN: 23058940BGWFYL5756  
Place: Kolkata  
Date: 23rd May 2023

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

**AJAY KUMAR**  
Partner  
Membership No.: 068756  
UDIN: 23068756BGZELF1585  
Place: Kolkata  
Date: 23rd May 2023

## Annexure A to the Independent Auditors' Report

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hindusthan National Glass & Industries Limited of even date)**

- i. (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets;
  - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
  - B. The Company has maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;
- ii. (a) The inventories excluding inventories lying with third parties, in few of the units and in transit have been physically verified by the management at reasonable intervals during the year. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stock and the book stock for each class of inventory, wherever ascertained were not more than 10%;
- (b) The Company has not been sanctioned/ renewed any working capital loan limits in excess of five crores rupees, in aggregate, from banks or financial institutions during the year on the basis of security of current assets, hence reporting under Clause 3(ii)(b) is not applicable;
- iii. According to the information and explanations given to us, during the year the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3 (iii) (a) to (f) of the Order are not applicable to the Company;
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted any loans, made investments in or provided any guarantee or security and hence reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder to the extent notified, hence, reporting under clause (v) of paragraph 3 is not applicable;
- vi. According to the information and explanations given to us, the maintenance of cost records under section 148(1) of the Act has not been prescribed and as such, hence, reporting under clause (vi) of paragraph 3 of the Order is not applicable;



## Annexure A to the Independent Auditors' Report

vii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, and records:

- a. The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and services tax, cess and other statutory dues to the appropriate authorities. There are no undisputed statutory dues outstanding as at 31st March 2023 for a period of more than six months from the date they became payable except for the following:

(Rs. in lakhs)

Name of the Statute	Nature of the Dues	Amount	Period to which Amount relates	Due date	Date of Payment	Remarks, if any
Income Tax Act, 1961	TDS u/s 195	74.09	Jun. Qtr, 2018	7th July 2018	Not Paid	The amount of TDS has not been paid by the Company on account of one time settlement entered with the lenders under which the entire interest cost shall be waived for the given periods.
		79.22	Sept. Qtr, 2018	7th October 2018		
		77.26	Dec. Qtr, 2018	7th January 2019		
		78.99	Mar. Qtr, 2019	30th April 2019		
		72.67	Jun. Qtr, 2019	7th July 2019		
		70.00	Sept. Qtr, 2019	7th October 2019		
		67.05	Dec. Qtr, 2019	7th January 2020		
		69.53	Mar. Qtr, 2020	30th April 2020		
		69.08	Jun. Qtr, 2020	7th July 2020		
		40.44	Sept. Qtr, 2020	7th October 2020		
		38.99	Dec. Qtr, 2020	7th January 2021		
		37.29	Mar. Qtr, 2021	30th April 2021		
		37.90	Jun. Qtr, 2021	7th July 2021		
		8.78	Dec. Qtr, 2021	7th January 2022		
The Goods & Service Tax Act, 2017	GST	1,716.58	1st October 2021 to 21st October 2021	20th November 2021	Not Paid	The same was not paid due to advent of the CIRP Process from 21st October 2021

- b. The details of dues of sales tax, service tax, duty of excise, value added tax and entry tax, which have not been deposited on account of dispute and the forum where the dispute is pending as on 31st March 2023 are as under:

(Rs. in lakhs)

Name of Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
AP Entry Tax Act 2001	AP Entry Tax	32.75	2014-15 to 2016-17	AP High Court
The Central Excise Act 1944	Excise Duty	199.94	2009-10 to 2013-14	CESTAT, Chennai
		13.07	1993-97	Dy. Comm. Central Excise, Puducherry
		94.05	2009-10	The Customs Excise and Service Tax Appellant Tribunal
		293.62	2011-12	Excise Joint Commissioner Appeals
		14.72	2009-10 to 2012-13	Excise Joint Commissioner Appeals

## Annexure A to the Independent Auditors' Report

Name of Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax (CST) 1956	Sales Tax	64.72	2006-07	West Bengal Appellate Revisional Board
		19.98	2016-17	West Bengal Appellate Revisional Board
		149.30	2008-09	Sr. Joint Commissioner of Commercial Tax Appeal
Maharashtra Value Added Tax, 2005	VAT	114.00	2005-06 to 2006-07	Tribunal Maharashtra Sales Tax, Mumbai
THE WBST ACT 1994	Sales Tax	55.14	2002-03	West Bengal Taxation Tribunal
The West Bengal, Value Added Tax, 2003	Sales Tax	104.38	2006-07	West Bengal Appellate Revisional Board
		140.84	2016-17	West Bengal Appellate Revisional Board
		108.72	2008-09	West Bengal Taxation Tribunal
		3.53	2015-16	West Bengal Taxation Tribunal
Finance Act, 1994	Service Tax	0.66	2007-08	CESTAT, Chennai
		0.01	2007-08 & 2008-09	CESTAT
		0.99	2008-09	CESTAT
		0.27	2006-ss07 & 2007-08	CESTAT
		195.00	2001 to 2005	CESTAT
		654.23	2013-14 to 2015-16	CESTAT
		256.25	2007-08 to 2009-10	The Customs Excise and Service Tax Appellant Tribunal
Maharashtra Stamp Duty	Stamp Duty	37.67	2010-11	High Court, Mumbai
Haryana Municipality Act, 1973	Octroi	433.21	Since 24-12-1990	Hon'ble Supreme Court
The Foreign Exchange Management Act, 1999	FEMA	200.00	Prior to 2002	FEMA Tribunal, Delhi
Property Tax, Haryana	Property Tax	209.69	FY 2022-23 onwards	Municipal Corporation Bahadurgarh

- viii. According to the information and explanations given to us and on the basis of examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded in the books of accounts, as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company;

## Annexure A to the Independent Auditors' Report

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has defaulted in repayment of loans or other borrowings and interest thereon to the banks, financial institutions and other lenders during the year, accordingly, the period and amounts of defaults are as hereunder:

i. The below table discloses the default of the company in repayment of Term loans:

(Rs. in Lakhs)									
Month	State Bank of India	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	Exim Bank	EARC Trust - SC 367	EARC Trust - SC 245	DBS Bank	Goldman Sachs International Bank
Dec' 17	496.00	112.50	187.50	375.00	-	-	-	-	-
Mar' 18	1,553.10	112.50	187.50	440.00	-	-	-	1,046.60	-
Jun' 18	744.00	168.70	250.00	375.00	-	-	67.77	-	-
Sep' 18	2,244.00	168.70	250.00	472.50	-	-	259.10	2,990.54	-
Dec' 18	744.00	168.70	250.00	375.00	-	-	259.10	-	1,368.04
Mar' 19	2,244.00	168.70	250.00	472.50	-	90.11	259.10	2,990.54	-
Jun' 19	869.00	197.00	343.75	375.00	-	156.25	302.28	-	1,869.09
Sep' 19	2,369.00	197.00	343.75	488.75	-	156.25	302.28	2,990.54	-
Dec' 19	869.00	197.00	343.75	375.00	-	156.25	302.28	2,315.46	1,869.09
Mar' 20	3,494.00	197.00	343.75	488.75	-	156.25	302.28	-	-
Jun' 20	1,240.00	281.20	437.50	375.00	-	156.25	431.83	6,728.72	2,803.63
Sep' 20	3,865.00	281.20	437.50	537.50	57.16	156.25	431.83	-	-
Dec' 20	1,240.00	281.20	437.50	375.00	229.25	156.25	431.83	6,728.72	2,803.63
Mar' 21	3865.00	281.20	437.50	537.50	229.25	156.25	431.83	-	-
June' 21	1240.00	281.20	437.50	375.00	229.25	156.33	431.83	8074.46	3364.36
Sep' 21	3865.00	281.20	437.50	537.50	229.25	156.33	431.83	-	-
Oct' 21*	43,728.00	7,538.00	3,500.00	2,552.50	6,140.17	156.33	11,573.06	-	-

\*Up to 21st October 2021 i.e., date of initiation of CIRP

ii. The below table discloses the default of the company in repayment of CC and Working Capital loans:

(Rs. in Lakhs)						
Period	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	DBS	Standard Chartered Bank	Bank of Baroda
Default Since Nov' 2017 to 21st October 2021	4,672.60	1,706.80	730.25	1,214.26	3,598.68	2,729.70

iii. The below table discloses the default of the company in payment of interest on term loans availed by the Company:

(Rs. in Lakhs)									
Month	State Bank of India	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	Exim Bank	EARC Trust - SC 367	EARC Trust - SC 245	DBS Bank	Goldman Sachs International Bank
Nov' 17	-	3.35	-	-	-	-	-	-	-
Dec' 17	-	101.95	82.98	75.66	75.10	-	149.40	-	-
Jan' 18	-	101.95	82.91	75.66	83.06	-	149.42	-	-
Feb' 18	-	92.08	74.89	68.34	75.02	-	134.96	-	-
Mar' 18	701.72	101.95	82.91	75.66	83.06	-	149.42	290.03	309.75
Apr' 18	679.10	98.66	80.23	74.03	80.38	-	130.14	196.85	-
May' 18	701.73	101.95	82.91	74.03	83.06	-	134.48	-	-
Jun' 18	679.10	98.66	80.23	74.03	80.38	66.71	174.00	341.92	192.62

## Annexure A to the Independent Auditors' Report

Month	State Bank of India	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	Exim Bank	EARC Trust - SC 367	EARC Trust - SC 245	DBS Bank	Goldman Sachs International Bank
Jul' 18	701.73	101.95	82.91	74.85	83.06	-	134.48	132.24	-
Aug' 18	701.73	101.95	82.91	74.85	83.06	-	134.48	-	-
Sep' 18	679.10	98.66	80.23	74.85	80.38	70.31	174.49	366.21	204.69
Oct' 18	701.73	101.95	82.91	74.85	83.06	-	134.48	142.11	-
Nov' 18	679.10	98.66	80.23	74.85	80.38	-	130.14	-	-
Dec' 18	701.73	101.95	82.91	74.85	83.06	70.31	178.82	356.25	200.45
Jan' 19	701.73	101.95	79.15	75.66	83.07	-	149.42	138.60	-
Feb' 19	633.82	92.09	71.49	68.34	75.03	-	134.96	-	-
Mar' 19	701.73	101.95	79.15	75.66	76.22	56.92	149.42	355.87	210.24
Apr' 19	679.09	98.67	80.24	73.22	72.40	-	130.14	144.81	-
May' 19	701.73	101.95	82.91	75.66	74.82	-	134.48	-	-
Jun' 19	679.09	98.67	80.24	73.22	72.40	53.35	174.00	325.63	195.89
Jul' 19	701.73	101.95	82.91	75.66	74.82	-	134.48	132.47	-
Aug' 19	701.73	101.95	82.91	75.66	74.82	-	134.48	-	-
Sep' 19	679.09	98.67	80.24	73.22	72.34	53.93	174.48	322.52	182.33
Oct' 19	701.73	101.95	82.91	75.66	72.89	-	134.48	125.10	-
Nov' 19	679.09	98.67	80.24	73.22	70.54	-	130.14	-	-
Dec' 19	701.73	101.95	82.91	75.66	72.89	52.54	178.82	302.01	171.31
Jan' 20	701.73	101.95	82.91	75.66	72.89	-	134.48	130.11	-
Feb' 20	656.46	95.38	77.57	70.78	68.19	-	125.80	-	-
Mar' 20	701.73	101.95	82.91	75.66	72.89	51.97	178.34	312.92	177.68
Apr' 20	679.09	98.67	80.24	73.22	66.39	-	144.60	135.20	-
May' 20	701.73	101.95	82.91	75.66	68.43	-	149.42	-	-
Jun' 20	679.09	98.67	80.24	73.22	66.23	48.81	144.11	309.56	178.00
Jul' 20	701.73	101.95	82.91	75.66	68.43	-	148.92	134.13	-
Aug' 20	701.73	101.95	82.91	75.66	68.43	-	148.92	-	-
Sep' 20	679.09	98.67	80.24	73.22	66.23	49.31	144.11	182.76	111.55
Oct' 20	701.73	101.95	82.91	75.66	68.43	-	148.92	69.61	-
Nov' 20	679.09	98.67	80.24	73.22	66.23	-	144.11	-	-
Dec' 20	701.73	101.95	82.91	75.66	68.41	49.30	148.87	178.16	105.03
Jan' 21	701.73	101.95	82.91	75.66	68.12	-	148.23	67.76	-
Feb' 21	633.82	92.09	74.89	68.34	61.58	-	133.49	-	-
Mar' 21	701.73	101.95	82.91	75.66	68.00	47.87	147.39	172.03	98.16
Apr' 21	679.09	98.67	80.24	73.22	65.40	-	142.31	65.40	-
May' 21	701.73	101.95	82.91	75.66	67.90	-	146.58	-	-
Jun' 21	679.09	98.67	80.24	73.22	65.53	48.00	141.38	175.27	99.07
Jul' 21	701.70	101.95	82.91	75.66	67.02	-	145.73	66.73	-
Aug' 21	701.15	101.95	82.91	75.66	67.61	-	145.34	-	-
Sep' 21	676.89	98.67	80.24	73.22	65.29	48.12	140.32	171.85	97.55
Oct' 21*	472.56	69.07	56.17	51.25	45.02	10.93	97.98	121.62	23.07

\*Up to 21st October 2021 i.e., date of initiation of CIRP

## Annexure A to the Independent Auditors' Report

iv. The below table discloses the default of the company in payment of interest on working capital loans availed by the Company:

Month	(Rs. in Lakhs)							
	State Bank of India	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	EARC Trust - SC 245	Standard Chartered Bank	DBS Bank	Bank of Baroda
Nov' 17	-	54.24	-	-	4.52	-	-	-
Dec' 17	-	28.93	-	-	31.21	41.43	-	-
Jan' 18	-	25.77	28.02	-	31.21	42.04	-	26.80
Feb' 18	-	50.63	25.31	-	28.19	37.96	-	26.80
Mar' 18	195.66	56.05	28.03	-	30.78	42.04	7.30	28.01
Apr' 18	198.23	54.25	27.12	-	29.73	114.22	24.89	27.12
May' 18	209.12	56.05	28.03	-	30.78	4.67	26.74	28.03
Jun' 18	202.28	54.25	27.12	20.59	29.73	4.52	25.89	27.12
Jul' 18	208.89	56.05	28.03	37.65	30.78	115.57	19.53	28.03
Aug' 18	208.76	56.05	28.03	37.65	30.78	4.67	19.53	28.03
Sep' 18	201.89	54.25	27.12	36.43	29.73	4.52	18.45	27.12
Oct' 18	208.61	56.05	28.03	37.65	30.78	115.57	19.53	28.03
Nov' 18	201.88	54.25	27.12	36.43	29.73	4.52	18.45	27.12
Dec' 18	208.09	56.05	28.03	37.65	30.78	4.67	19.53	28.03
Jan' 19	207.67	56.05	28.03	37.65	30.78	42.04	19.11	28.03
Feb' 19	187.57	50.63	25.32	34.00	28.61	34.96	17.27	25.32
Mar' 19	107.38	41.17	17.96	26.70	16.09	38.70	2.46	24.33
Apr' 19	85.46	36.90	15.39	23.73	12.85	36.65	16.47	22.86
May' 19	88.26	38.13	15.91	24.52	13.28	37.86	17.01	23.63
Jun' 19	85.18	36.90	15.39	23.73	12.85	36.67	16.47	22.86
Jul' 19	87.82	61.85	28.25	26.24	13.28	37.83	16.85	36.37
Aug' 19	87.51	61.85	28.25	26.24	13.28	37.83	16.85	36.37
Sep' 19	83.99	59.72	27.24	25.31	12.72	36.58	16.04	35.17
Oct' 19	66.34	57.66	25.41	23.45	8.28	36.87	16.36	35.58
Nov' 19	64.20	55.80	24.59	22.69	8.01	35.68	16.19	34.44
Dec' 19	66.34	57.66	25.41	23.45	11.01	36.87	17.28	35.58
Jan' 20	66.34	57.66	25.41	23.45	8.28	36.87	19.84	35.58
Feb' 20	62.06	53.94	23.77	21.94	7.74	34.49	18.56	33.19
Mar' 20	66.34	57.66	25.41	23.45	10.98	36.87	19.84	34.78
Apr' 20	18.72	53.52	18.49	21.19	6.02	33.58	14.76	25.52
May' 20	17.45	50.19	18.85	18.49	2.72	34.62	5.17	26.30
Jun' 20	16.89	46.39	18.24	16.44	-	33.50	7.51	25.46
Jul' 20	17.45	47.94	18.84	16.99	-	34.62	14.79	26.30
Aug' 20	17.45	47.94	18.24	16.99	-	34.62	14.79	26.30
Sep' 20	16.89	46.39	18.23	16.44	-	33.50	14.31	25.46
Oct' 20	17.46	47.94	18.84	16.99	-	34.62	14.79	26.30
Nov' 20	16.89	46.39	18.23	16.44	-	33.50	14.31	25.46
Dec' 20	17.23	47.89	18.81	16.96	-	34.61	14.70	26.30
Jan' 21	13.98	47.25	18.38	16.53	-	34.46	14.18	26.17
Feb' 21	10.69	42.28	16.33	14.66	-	31.03	12.52	23.57
Mar' 21	9.76	46.41	17.81	15.97	-	34.30	13.15	26.02
Apr' 21	7.84	44.59	17.02	15.24	-	33.08	13.40	25.12
May' 21	5.70	45.60	17.27	15.43	-	34.07	12.91	25.87

## Annexure A to the Independent Auditors' Report

Month	State Bank of India	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	EARC Trust - SC 245	Standard Chartered Bank	DBS Bank	Bank of Baroda
Jun' 21	3.13	43.66	16.39	14.62	-	32.86	11.56	24.94
July' 21	1.44	44.75	16.69	14.86	-	33.88	11.24	25.71
Aug' 21	-	44.36	16.42	14.60	-	33.78	11.99	25.63
Sep' 21	-	42.60	15.67	13.91	-	32.62	11.18	24.75
Oct' 21*	-	29.57	10.80	9.57	-	22.78	7.34	17.28

\*Up to 21st October 2021 i.e., date of initiation of CIRP

v. The below table discloses the list of LC Bills not honoured by the company as on 31st March 2023:

(Rs. in Lakhs)

Month	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	DBS Bank	Bank of Baroda
Nov' 17	1,263.77	267.19	-	-	-
Dec' 17	174.24	310.12	-	-	-
Jan' 18	337.34	161.49	-	-	-
Feb' 18	220.56	364.11	-	-	-
Mar' 18	296.01	64.80	11.19	-	-
Apr' 18	153.72	25.19	-	289.19	-
May' 18	-	-	254.18	805.59	-
Jun' 18	-	-	72.20	283.61	15.91
Jul' 18	-	-	7.80	-	584.46
Aug' 18	-	-	-	-	610.58
Sep' 18	-	-	-	-	215.76

vi. The below table discloses the default of company in redemption of Debentures issued to Life Insurance Corporation of India:

(Rs. in Lakhs)

Due Date	Amount
23rd November 2021	8,000.56
3rd February 2022	8,000.56

vii. The below table discloses the default of the company in payment of interest on Debentures availed by the Company:

(Rs. in Lakhs)

Particulars	Feb' 18	Nov' 18	Feb' 19	Nov' 19	Feb' 20	Nov' 20	Feb' 21	Oct' 21*
Life Corporation of India	1,040.00	1,040.00	1,040.00	962.38	937.24	879.10	867.71	1371.60

\*Up to 21st October 2021 i.e., date of initiation of CIRP

**Note: Above mentioned default dues have not been repaid subsequently till the date of this audit report.**

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, no term loans has been availed by the Company and accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable;
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the Company has not availed any funds on short-term basis and accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable;



## Annexure A to the Independent Auditors' Report

- (e) The Company does not have any Subsidiary, Associate or Joint Venture, hence, reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable;
- (f) The Company does not have any Subsidiary, Associate or Joint Venture, hence, reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable;
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company;
- xi. (a) During the course of our examination of books of accounts carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of material fraud by the Company or material fraud on the Company by its officers or employees nor have we been informed of any such cases by the management;
- (b) No report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year up to the date of report;
- (c) According to the information and explanations and representations by the management no whistle blower complaints received during the year (and up to the date of report) by the company;
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company, hence reporting under clause (xii) of paragraph 3 of the Order is not applicable;
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards;
- xiv. (a) Based on the information and explanations given to us and our audit procedures the company has an internal audit system maintained by the inhouse Department in this respect which is commensurate with the size and nature of its business;
- (b) We have considered the reports of the Inhouse Department with respect to Internal Audit for the period under audit;
- xv. According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him and hence, reporting under clause (xv) of paragraph 3 of the Order is not applicable;
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company;
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company;
- (d) Management has represented that, to the best of its knowledge and belief, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. On the basis of our examination of books of accounts and according to the information and explanation provided to

## Annexure A to the Independent Auditors' Report

us by the management, the Company has incurred cash losses of Rs. (12,230) lakhs in the current financial year and in the immediately preceding financial year of Rs. (24,141) lakhs;

- xviii. There has not been any resignation of the statutory auditors during the year, hence, reporting under clause (xviii) of paragraph 3 of the Order is not applicable;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditors' knowledge of the Board and the Management plans, we are of the opinion that material uncertainty exists as on the date of the audit report, on the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; (Refer Note no 2.47 to the financial statements and point no. (a) of Basis for Qualified Opinion paragraph & clause 3(ix) of this Report).
- xx. The Company has incurred losses in the three immediately preceding financial years, as such it is not required to spend any money on account of Corporate Social Responsibility u/s 135 of the Act, hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable;
- xxi. The reporting under paragraph 3(xxi) of the Order is not applicable as the Company does not have any Subsidiary, Associate and Joint Venture.

**For Lodha & Co**  
**Chartered Accountants**  
**Firm Registration No.: 301051E**

**INDRANIL CHOUDHURY**  
**Partner**  
**Membership No. 058940**  
**UDIN: 23058940BGWFYL5756**  
**Place: Kolkata**  
**Date: 23rd May 2023**

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

**AJAY KUMAR**  
**Partner**  
**Membership No.: 068756**  
**UDIN: 23068756BGZELF1585**  
**Place: Kolkata**  
**Date: 23rd May 2023**



## Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 (h) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hindusthan National Glass & Industries Limited of even date)

### Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Hindusthan National Glass & Industries Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company's Directors and RP management are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Annexure B to the Independent Auditors' Report

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

**For Lodha & Co**  
Chartered Accountants  
Firm Registration No.: 301051E

**INDRANIL CHOUDHURY**  
Partner  
Membership No. 058940  
UDIN: 23058940BGWFYL5756  
Place: Kolkata  
Date: 23rd May 2023

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

**AJAY KUMAR**  
Partner  
Membership No.: 068756  
UDIN: 23068756BGZELF1585  
Place: Kolkata  
Date: 23rd May 2023



## Balance Sheet as at 31st March 2023

₹ in Lakhs

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, Plant and Equipment	2.1.A	1,58,412.16	1,63,400.83
(b) Capital Work-in-Progress	2.1.B	2,405.25	8,309.60
(c) Right-of-Use Assets	2.1.C	4,735.67	4,801.25
(d) Other Intangible Assets	2.1.D	0.24	0.40
(e) Financial Assets			
(i) Investments	2.2	131.66	119.88
(ii) Other Financial Assets	2.3	7,956.26	7,552.03
(f) Other Non-Current Assets	2.4	608.02	651.01
		<b>1,74,249.26</b>	<b>1,84,835.00</b>
<b>2. Current Assets</b>			
(a) Inventories	2.5	42,516.29	42,409.35
(b) Financial Assets			
(i) Trade Receivables	2.6	29,961.42	34,661.94
(ii) Cash and Cash Equivalents	2.7.A	21,287.53	15,861.94
(iii) Bank Balances other than Cash and Cash Equivalents	2.7.B	1,203.65	1,199.98
(iv) Other Financial Assets	2.8	652.98	966.88
(c) Current Tax Assets (Net)	2.9	595.10	399.51
(d) Other Current Assets	2.10	13,903.51	13,900.24
		<b>1,10,120.48</b>	<b>1,09,399.84</b>
<b>TOTAL ASSETS</b>		<b>2,84,369.74</b>	<b>2,94,234.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	2.11	1,791.07	1,791.07
(b) Other Equity	2.12	(1,01,553.92)	(78,426.70)
		<b>(99,762.85)</b>	<b>(76,635.63)</b>
<b>LIABILITIES</b>			
<b>1. Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2.13	-	14,574.51
(ii) Lease Liabilities	2.14	3.75	3.74
(iii) Other Financial Liabilities	2.15	31.00	368.67
(b) Provisions	2.16	1,594.70	3,203.31
(c) Deferred Tax Liabilities (Net)	2.17	-	-
(d) Other Non-Current Liabilities	2.18	901.86	4,147.14
		<b>2,531.31</b>	<b>22,297.37</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2.19	2,26,364.70	2,07,925.11
(ii) Lease Liabilities	2.20	0.52	0.50
(iii) Trade Payables			
Total Outstanding dues of Micro Enterprises & Small Enterprises	2.21	12,211.71	5,476.24
Total Outstanding dues of Creditors Other than Micro Enterprises & Small Enterprises		43,713.94	39,417.65
(iv) Other Financial Liabilities	2.22	87,615.96	87,305.96
(b) Current Tax Liabilities (Net)	2.23	94.19	94.19
(c) Other Current Liabilities	2.24	8,006.32	8,095.07
(d) Provisions	2.25	3,593.94	258.38
		<b>3,81,601.28</b>	<b>3,48,573.10</b>
<b>TOTAL LIABILITIES</b>		<b>3,84,132.59</b>	<b>3,70,870.47</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>2,84,369.74</b>	<b>2,94,234.84</b>

Accompanying notes 1 to 2.65 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

**For Lodha & Co**

Chartered Accountants  
FRN : 301051E

**For J K V S & CO**

Chartered Accountants  
FRN : 318086E

**Bimal Kumar Garodia**

President and Chief  
Financial Officer  
Place : Kolkata

**Ratna Kumar Daga**

Independent Director  
DIN: 00227746  
Place : Kolkata

**Mukul Somany**

Director  
DIN: 00124625  
Place : Kolkata

**Sanjay Somany**

Director  
DIN: 00124538  
Place : Rishikesh

Powers of the Board are suspended from the Insolvency Commencement Date

**Indranil Choudhury**

Partner  
Membership No. 058940  
Place : Kolkata  
Date : 23rd May 2023

**Ajay Kumar**

Partner  
Membership No. 068756  
Place : Kolkata

**Girish Siriram Juneja**

Resolution Professional  
Taken on records  
Place : Kolkata

## Statement of Profit And Loss for the year ended 31st March 2023

₹ in Lakhs

Particulars	Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>I. Revenue from Operations</b>	2.26	<b>2,45,735.39</b>	<b>2,08,714.72</b>
<b>II. Other Income</b>	2.27	<b>1,398.49</b>	<b>3,390.63</b>
<b>III. Total Income (I+II)</b>		<b>2,47,133.88</b>	<b>2,12,105.35</b>
<b>Expenses</b>			
Cost of Materials Consumed	2.28	97,490.77	75,972.19
Changes in Inventories of Finished Goods and Work-in-Progress	2.29	2,155.69	(1,568.41)
Employee Benefits Expense	2.30	21,977.83	21,231.25
Power and Fuel Expense	2.33.A	1,04,183.86	90,897.30
Finance Costs	2.31	2,733.63	12,039.54
Depreciation and Amortization Expense	2.32	10,630.97	11,899.58
Other Expenses	2.33.B	31,250.81	36,486.08
<b>IV. Total Expenses</b>		<b>2,70,423.56</b>	<b>2,46,957.53</b>
<b>V. Loss before Tax (III - IV)</b>		<b>(23,289.68)</b>	<b>(34,852.18)</b>
<b>VI. Tax Expenses:</b>			
(1) Current Tax		-	-
(2) Deferred Tax		42.54	-
(3) Income Tax for Earlier Years		-	0.17
<b>Total Tax expenses</b>		<b>42.54</b>	<b>0.17</b>
<b>VII. Loss for the year after Tax (V-VI)</b>		<b>(23,332.22)</b>	<b>(34,852.35)</b>
<b>VIII. Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss			
Re-measurement gains/(losses) on Defined Benefit Plans		(136.34)	425.27
Income tax relating to the above		42.54	-
Total Other Comprehensive Income/(losses) for the year		<b>(93.80)</b>	<b>425.27</b>
<b>IX. Total Comprehensive Income (comprising of loss and other comprehensive income for the year) (VII + VIII)</b>		<b>(23,426.02)</b>	<b>(34,427.08)</b>
<b>X. Earnings per Equity Share of face value of ₹ 2/- each</b>			
Basic & Diluted	2.34	(26.05)	(38.92)
Weighted average number of shares used in computing Earnings Per Share			
Basic & Diluted		<b>8,95,53,565</b>	<b>8,95,53,565</b>

Accompanying notes 1 to 2.65 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

**For Lodha & Co**

Chartered Accountants  
FRN : 301051E

**For J K V S & CO**

Chartered Accountants  
FRN : 318086E

**Bimal Kumar Garodia**

President and Chief  
Financial Officer  
Place : Kolkata

**Ratna Kumar Daga**

Independent Director  
DIN: 00227746  
Place : Kolkata

**Mukul Somany**

Director  
DIN: 00124625  
Place : Kolkata

**Sanjay Somany**

Director  
DIN: 00124538  
Place : Rishikesh

Powers of the Board are suspended from the Insolvency Commencement Date

**Indranil Choudhury**

Partner  
Membership No. 058940  
Place : Kolkata  
Date : 23rd May 2023

**Ajay Kumar**

Partner  
Membership No. 068756  
Place : Kolkata

**Girish Siriram Juneja**

Resolution Professional  
Taken on records  
Place : Kolkata

**Statement Of Cash Flow** for the year ended 31st March 2023

₹ in Lakhs

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2022
<b>Cash Flow from Operating Activities</b>		
Loss before Tax	(23,289.68)	(34,852.19)
<b>Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows</b>		
Depreciation/ Amortisation	10,630.97	11,899.58
Loss on sale/ discard of Property Plant and Equipment/ CWIP	2.78	194.67
Bad Debts and Impairment Allowances for Trade Receivables	72.97	123.80
Interest Income on Financial Assets	(306.59)	(286.16)
Fair value (Gain)/Loss in Investment	(11.78)	(2.54)
Notional Interest Income on Inter Corporate Deposit	(146.34)	(585.37)
Notional Interest Expense on Inter Corporate Deposit	490.74	433.61
Finance Costs	2,242.89	11,605.93
Liabilities no Longer Required Written Back	(29.37)	(1,388.36)
<b>Operating Cash flow before Exceptional Items and Working Capital Changes</b>	<b>(10,343.41)</b>	<b>(12,857.03)</b>
Less: Exceptional Items	-	-
Operating cash flow before Working Capital changes	<b>(10,343.41)</b>	<b>(12,857.03)</b>
<b>Movement in Working Capital :</b>		
Increase/(Decrease) in Trade Payables, Other Current/Non-Current Liabilities, Other Current/Non-Current Financial Liabilities and Provisions	11,030.36	20,663.59
Decrease/(Increase) in Trade Receivables	4,627.55	(243.09)
Decrease/(Increase) in Inventories	(106.94)	2,570.94
Decrease/(Increase) in Other Current/Other Non Current Financial Assets and Other Current/ Other Non Current Asset	(20.08)	(6,316.46)
<b>Cash generated from Operations</b>	<b>5,187.48</b>	<b>3,817.95</b>
Direct Taxes (paid)/Refunds (net)	(195.59)	4.66
<b>Net Cash generated from Operating activities (A)</b>	<b>4,991.89</b>	<b>3,822.61</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment, Intangible Assets and Capital Work in Progress	320.99	(161.73)
Proceeds from sale of Property Plant and Equipment	4.02	21.34
Proceeds from Sales of Treasury Shares	-	-
Redemption / (Investment) in bank deposits with maturity more than 3 months	(5.81)	127.12
Interest received	278.20	157.39
<b>Net Cash Generated from Investing activities (B)</b>	<b>597.40</b>	<b>144.12</b>



## Statement Of Cash Flow for the year ended 31st March 2023

₹ in Lakhs

Particulars	For the Year ended 31st March 2023	For the Year ended 31st March 2022
<b>Cash Flow from Financing activities</b>		
Repayment of long term borrowings	(0.00)	(1,331.26)
Net repayment of Short term borrowings	-	(1,943.21)
Interest paid	(163.70)	(256.93)
<b>Net Cash used in Financing activities (C)</b>	<b>(163.70)</b>	<b>(3,531.40)</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>5,425.59</b>	<b>435.33</b>
Cash and Cash Equivalents at the beginning of the year	15,861.94	15,426.61
<b>Cash and Cash Equivalents at the end of the year</b>	<b>21,287.53</b>	<b>15,861.94</b>
<b>Components of Cash and Cash Equivalents</b>		
<b>Balances with banks:</b>		
In current accounts	18,281.49	15,854.02
In deposit accounts & Dividend accounts	3,000.00	2.01
Cash in hand	6.04	5.91
<b>Total Cash and Cash Equivalents</b>	<b>21,287.53</b>	<b>15,861.94</b>

### Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IND AS 7) on Statement of Cash Flows.
- Cash and Cash equivalents do not include any amount which is not available to the company for its use, note from Cash and Cash Equivalents.
- Change in Company's liabilities arising from financing activities:

₹ in Lakhs

Particulars	As at 31st March 2022	Cash Flows *	Non-Cash Flows	As at 31st March 2023
a) Non-current borrowings (Refer Note 2.13)	14,574.51	-	(14,574.51)	-
b) Current maturities of long-term debt(Refer Note 2.19)	1,93,272.81	-	18,439.59	2,11,712.40
c) Deferred Liability Payable on ICD- Non Current (Refer Note 2.18)	3,234.22	-	(3,234.22)	-
d) Deferred Liability Payable on ICD- Current (Refer Note 2.24)	585.37	-	(585.37)	-
e) Short-term borrowings(Refer Note 2.19)	14,652.30	-	-	14,652.30
f) Interest accrued but not due on borrowings(Refer Note 2.22)	83,849.11	-	-	83,849.11
g) Lease liabilities(Refer Note 2.39.2)	4.24	(0.52)	0.55	4.27

\* Included Cash Flow on account of both Principal &amp; Interest

As per our report of even date attached

For and on behalf of the Board

**For Lodha & Co**Chartered Accountants  
FRN : 301051E**For J K V S & CO**Chartered Accountants  
FRN : 318086E**Bimal Kumar Garodia**President and Chief  
Financial Officer  
Place : Kolkata**Ratna Kumar Daga**Independent Director  
DIN: 00227746  
Place : Kolkata**Mukul Somany**Director  
DIN: 00124625  
Place : Kolkata**Sanjay Somany**Director  
DIN: 00124538  
Place : Rishikesh

Powers of the Board are suspended from the Insolvency Commencement Date

**Indranil Choudhury**Partner  
Membership No. 058940  
Place : Kolkata  
Date : 23rd May 2023**Ajay Kumar**Partner  
Membership No. 068756  
Place : Kolkata**Girish Siriram Juneja**Resolution Professional  
Taken on records  
Place : Kolkata



## Statement of Changes in Equity as at and for the year ended 31st March 2023

₹ in Lakhs

### (a) Equity Share Capital

Particulars	Ref Note No.	Number of Shares	₹ In Lakhs
Equity Shares of ₹ 2/- each issued, subscribed and fully paid up	2.11		
<b>As at 31st March 2021</b>		<b>8,95,53,565</b>	<b>1,791.07</b>
Changes in Equity Share Capital due to prior period errors		-	-
Changes in Equity Share Capital		-	-
<b>As at 31st March 2022</b>		<b>8,95,53,565</b>	<b>1,791.07</b>
Changes in Equity Share Capital due to prior period errors		-	-
Changes in Equity Share Capital		-	-
<b>As at 31st March 2023</b>		<b>8,95,53,565</b>	<b>1,791.07</b>

### (b) Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income Remeasurement of Defined Benefit Plans	Total Other Equity
	Capital Reserve	Security Premium Reserve	General Reserve	Retained Earnings		
<b>Balance at 31st March 2021</b>	<b>6,055.05</b>	<b>10,363.83</b>	<b>69,573.87</b>	<b>(1,30,951.15)</b>	-	<b>(44,958.40)</b>
Transfer/Adjustments during the year	958.78	-	-	-	-	958.78
Profit/(Loss) for the year	-	-	-	(34,852.35)	-	(34,852.35)
Remeasurement of Defined benefit plan (net of taxes)	-	-	-	-	425.27	425.27
Transfer to Retained Earning	-	-	-	425.27	(425.27)	-
<b>Total comprehensive income for the year</b>	<b>958.78</b>	<b>-</b>	<b>-</b>	<b>(34,427.08)</b>	<b>-</b>	<b>(33,468.30)</b>
<b>Balance at 31st March 2022</b>	<b>7,013.83</b>	<b>10,363.83</b>	<b>69,573.87</b>	<b>(1,65,378.23)</b>	-	<b>(78,426.70)</b>
Transfer/Adjustments during the year	298.91	-	-	(0.11)	-	298.80
Profit/(Loss) for the year	-	-	-	(23,332.22)	-	(23,332.22)
Remeasurement of Defined benefit plan (net of taxes)	-	-	-	-	(93.80)	(93.80)
Transfer to Retained Earning	-	-	-	(93.80)	93.80	-
<b>Total comprehensive income for the year</b>	<b>298.91</b>	<b>-</b>	<b>-</b>	<b>(23,426.13)</b>	<b>-</b>	<b>(23,127.22)</b>
<b>Balance at 31st March 2023</b>	<b>7,312.74</b>	<b>10,363.83</b>	<b>69,573.87</b>	<b>(1,88,804.36)</b>	<b>-</b>	<b>(1,01,553.91)</b>

#### Note:

During the year, one of the lender has sold the pledged 18,83,204 (Previous Year - 75,00,000) equity shares of the company held by M/s ACE Trust in which the Company has sole beneficial interest for ₹ 298.91 lakhs (Previous Year ₹ 958.78 Lakhs) and the same has been adjusted towards the principal obligation of the debt. As on date an aggregate amount of ₹ 1,716.89 lakhs has been adjusted against principal obligation of debt with corresponding credit to Capital Reserve.

Description of nature and purpose of each reserve have been disclosed in notes 2.12

Accompanying notes 1 to 2.65 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

**For Lodha & Co**

Chartered Accountants  
FRN : 301051E

**For J K V S & CO**

Chartered Accountants  
FRN : 318086E

**Bimal Kumar Garodia**

President and Chief  
Financial Officer  
Place : Kolkata

**Ratna Kumar Daga**

Independent Director  
DIN: 00227746  
Place : Kolkata

**Mukul Somany**

Director  
DIN: 00124625  
Place : Kolkata

**Sanjay Somany**

Director  
DIN: 00124538  
Place : Rishikesh

Powers of the Board are suspended from the Insolvency Commencement Date

**Indranil Choudhury**

Partner  
Membership No. 058940  
Place : Kolkata  
Date : 23rd May 2023

**Ajay Kumar**

Partner  
Membership No. 068756  
Place : Kolkata

**Girish Siriram Juneja**

Resolution Professional  
Taken on records  
Place : Kolkata

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 1.1. Corporate Information

- a. Hindusthan National Glass & Industries Limited having domicile presence in the State of West Bengal, India, has been incorporated under the Companies Act in the year 1946. It is engaged in the manufacturing of container glass. The company's shares are listed and publicly traded on the National Stock Exchange Limited of India (NSE), The BSE Limited (BSE) and The Calcutta Stock Exchange Limited (CSE).
- b. The Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, vide its order dated 21st October 2021 had 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 (Committee of Creditors) by its order dated 28th October, 2021. Further NCLAT vide its order dated 18th January 2022 vacated the stay on the formation of CoC. Thereafter at the 1st Meeting of the CoC of the Company held on 28th January 2022 the e-voting results of which concluded on 9th February 2022, the Interim Resolution Professional Mr. Girish Siriram Juneja was appointed as the Resolution Professional (RP) and he is being supported in the CIRP by EY Restructuring LLP as the Insolvency Professional Entity. 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 for an extension of a period of 90 days till 8th October 2022 under Section 12(2) of the Code and the same was approved. RP filed for further extension of a period of 30 days and the same was also approved making the last date of CIRP as 6th November 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. RP received various Expression of Interests from different applicants, and he received resolution plans on 25th July 2022. On October 28, 2022, the resolution plan submitted by AGI Greenpac Limited (AGI) has been approved by the CoC and accordingly, the RP has filed the plan for approval with the Hon'ble NCLT, Kolkata bench on November 05, 2022 which is pending as on date. However, some related applications has been filed with Hon'ble NCLAT, New Delhi, the outcome of same is pending till date.
- c. The financial statements of the Company have been prepared by the management of the Company, reviewed by the Audit Committee and approved in the Meeting of Director's chaired by the RP held on 23rd May 2023 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 Statements and certifications, representations and statements made by Director's of the Company in relation to these Financial Statements. As authorized, Director and Chief Financial Officer of the Company have signed the Financial Statements and the RP has taken on record the said Financial Statements 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 IBC.

### 1.2. Basis of Preparation

#### 1.2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) from time to time and notified under Section 133 of Companies Act, 2013 (the Act) and other relevant provisions of the Act.

#### 1.2.2. Functional and Presentation Currency

These Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest two decimals of lakhs, unless otherwise indicated.

#### 1.2.3. Historical Cost Convention

The Financial Statements have been prepared following accrual basis of accounting on a historical cost basis, except for the following which are measured at fair value:

- a. Certain Financial Assets and Liabilities
- b. Defined Benefit Plans

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 1.2.4. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of the three levels depending on the ability to observe inputs employed for such measurement:

- a) Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- c) Level 3 : inputs for the asset or liability which are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation, based on the lowest level input that is significant to the fair value measurement, at the end of each reporting period.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided upon annually by the Management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 1.2.5. Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets or Liabilities are classified as non-current assets or liabilities.

### 1.2.6. Use of Estimates and Judgements

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the

## Notes to Financial Statements as at and for the year ended 31st March 2023

accompanying disclosures including contingent liabilities. Actual results may differ from these estimates. Difference between actual results and estimates are recognised in the period prospectively in which the results are known/materialised.

Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Detailed information about estimates and judgements is included in Note 1.4.

### 1.3. Significant Accounting Policies

#### 1.3.1. Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost of acquisition or deemed cost on the date of transition less accumulated depreciation and impairment losses, if any. Cost of an asset comprises of cost of acquisition or construction and includes, where applicable, inward freight, non recoverable duties and taxes, installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the Property, Plant and Equipments and other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. Capital Spare parts which are integral part of the plant and equipment are capitalised. When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.

Capital work in progress includes machinery to be installed, construction and erection materials, borrowing costs, unallocated pre-operative and other expenditures directly attributable towards construction and erection of the assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Otherwise this are added to and depreciated over the useful life of the main assets.

Cost incurred subsequent to initial capitalization are included in asset carrying amount only when it is probable that future economic benefit will flow to the company and can be measure reliably

Present value of the expected cost for the decommissioning of an asset after it's use, if any, included in the cost of the respective asset if the recognition criteria for the provisions are met.

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation methods, estimated useful life and residual value:

- Depreciation on PPE commences when the assets are ready for their intended use.
- Depreciation has been provided (a) as per the useful life specified under Schedule II to the Act on assets installed/acquired up to 31st March 1990 on written down value method and in respect of additions thereafter on straight line method; (b) in case of certain items of Plant and Equipment where useful life ranging from 5 to 30 years has been considered based on technical assessment, which is different from the useful life prescribed under Schedule II of the Act.
- Certain Plant and Equipment have been considered as continuous process plant as defined under Schedule II to the Act on the basis of technical evaluation.
- Subsequent costs are depreciated over the remaining life of the Property, Plant and Equipment.
- Depreciation on incremental cost of arising on account of exchange difference is amortised on straight line method over the remaining life of the Plant and Equipment.

Based on above, the estimated useful lives of assets for the current period are as follows:

Asset	Useful lives (estimated by the management) (Years)
Factory building	30
Other than factory building	60

## Notes to Financial Statements as at and for the year ended 31st March 2023

Asset	Useful lives (estimated by the management) (Years)
Carpeted Roads	10
Plant and Equipment	3-35
Furniture and fixture	10
Computers	3-5
Office equipment	5
Vehicles	8-10

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### 1.3.2. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes, where applicable, less accumulated amount of amortization and impairment losses (if any). Such assets are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same. When Computer software is not an integral part of a related item of the computer hardware, the software is treated as an intangible asset.

Accordingly, cost of computer software packages has been amortized over a period of 3 to 5 years on straight line basis.

### 1.3.3. Derecognition of Tangible and Intangible Assets

An item of PPE and Intangible Assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

### 1.3.4. Leases

#### 1.3.4.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### 1.3.4.2. Company as lessor

##### a) Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

##### b) Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

#### 1.3.4.3. Company as Lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract

## Notes to Financial Statements as at and for the year ended 31st March 2023

involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

### 1.3.4.4. Right of Use Assets

The Company recognizes right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment loss, if any, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right of use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of Non-Financial Assets'.

### 1.3.4.5. Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if any.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### 1.3.4.6. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use Asset" have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 1.3.5. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use.

In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.



## Notes to Financial Statements as at and for the year ended 31st March 2023

### 1.3.6. Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss. However trade receivable that do not contain a significant financing component are measured at transaction price.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

#### ➤ Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balance with banks which are unrestricted for withdrawal and usage.

#### ➤ Financial Assets & Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets & Liabilities subsequent to initial recognition are measured at amortized cost using the Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### ➤ Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at FVTOCI if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

Principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

#### ➤ Financial Assets or Liabilities at Fair value through Profit or Loss (FVTPL)

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Statement of Profit and Loss.

#### ➤ Derivatives and Hedge Accounting

The company enters into derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Company uses hedging instruments that are governed by

## Notes to Financial Statements as at and for the year ended 31st March 2023

the policies of the Company which are approved by the Management and provide principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective per Ind AS 109 "Financial Instruments", is categorized as a financial asset, at fair value through profit or loss. Transaction costs attributable to the same are also recognized in the Statement of Profit and Loss.

Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of Profit & Loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the statement of profit and loss.

### ➤ Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

### ➤ De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

### 1.3.7. Inventories

- Inventories (Other than Scrap) are valued at lower of the cost or estimated net realizable value after providing for obsolescence if any. Cost of inventories is ascertained on 'weighted average' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

## Notes to Financial Statements as at and for the year ended 31st March 2023

- Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and those under progress represents prime cost, and includes appropriate portion of overheads and taxes if any.
- The company's own cullet are valued at net realizable value.

### 1.3.8. Foreign Currency Transactions and translations

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the exchange rates prevailing on Balance Sheet Date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of initial transaction. Foreign exchange gain/ loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss account.

The Company has been applying paragraph 46A of AS 11 under Indian GAAP whereby exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset are adjusted to the cost of the asset and depreciated over the remaining life of the asset. Ind AS 101 gives an option whereby a first time adopter can continue its Indian GAAP policy for the aforesaid accounting for exchange differences arising from translation of long-term foreign currency monetary items. The Company has adopted the aforesaid option under Ind AS 101."

### 1.3.9. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

### 1.3.10. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

### 1.3.11. Employee Benefits

- Short term Employee benefits in respect of salary and wages, including non monetary benefits are recognized as an expense at the undiscounted amount in statement of Profit and Loss in the year in which related service are rendered.
- **Provident & Family Pension Fund:** In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government/ Trust at a determined rate. The company contributes to the

## Notes to Financial Statements as at and for the year ended 31st March 2023

Employees' Pension Scheme, 1995 for certain categories of employees. The Company's recognized contribution payable to such funds as an expense when an employee Rendered the related services.

- **Gratuity:** Employee benefits under defined benefit plans are determined at the close of each year at the present value of the amount payable using actuarial valuation techniques.

Contributions under the scheme for defined benefit under the Payment of Gratuity Act, 1972, is determined on the basis of actuarial valuation and are funded with SBI Life Insurance Company Limited and Birla Sun Life Insurance Company Limited and recognized as year's expenditure. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Remeasurements are not classified to the statement of Profit and Loss in subsequent periods. Other costs are recognized in the Statement of Profit or Loss. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

- **Leave Encashment Benefits:** Leave encashment benefits payable to employees while in service, retirement and on death while in service or on termination of employment. With respect to accumulated leaves outstanding at the year-end are accounted for on the basis of actuarial valuation at the balance sheet date. The present value of such obligation is determined by the projected unit credit method as at the balance sheet date through which the obligations are settled. The resultant actuarial gain or loss on change in present value of defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

### 1.3.12. Revenue

#### a) Sale of Goods

The Company derives revenues primarily from sale of manufactured goods. Revenue from contracts with customers is recognized on satisfaction of performance obligation upon transfer of control of promised goods to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of trade discounts, returns, volume rebates offered by the Company as part of the contract. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

#### b) Sale of Products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

#### c) Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted/ settled.

#### d) Export Benefits

Export benefits arising on account of entitlement for duty free imports are accounted for through import of materials. Such benefits under Merchandise Exports for India Scheme (MEIS) are accounted for on accrual basis. Other export benefits are accounted for on the basis of certainties as to its utilization and related realization.

### 1.3.13. Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 1.3.14. Research and Development

Research and development cost (other than cost of fixed asset acquired) are charged as an expense in the year in which they are incurred.

### 1.3.15. Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/ rebates are credited to Statement of Profit and Loss under "Other Income or Other Operating Income" or deducted from the related expenses for the period to which these are related.

Grants which are meant for purchase, construction or otherwise acquire non-current assets are recognized as Deferred Income and disclosed under Non-Current Liabilities and transferred to Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets are transferred to Statement of Profit and Loss over the periods that bear the cost of meeting the obligations related to such grants.

When the Company receive grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### 1.3.16. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding Tax Bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

### 1.3.17. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed

## Notes to Financial Statements as at and for the year ended 31st March 2023

by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 1.3.18. Non-current Assets Held for Sale

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

### 1.4. Significant Judgements and Key Sources of Estimation in Applying Accounting Policies

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortizable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility



## Notes to Financial Statements as at and for the year ended 31st March 2023

### 1.5. Recent applicable Accounting pronouncements

#### 1.5.1. New and revised standards adopted by the Company

Effective 1st April, 2022, the Company has adopted the amendments vide Companies (Indian Accounting Standards) Amendment Rules, 2022 notifying amendment to existing Indian Accounting Standards.

These amendments to the extent relevant to the Company's operations were relating to :

Ind AS 16 "Property, Plant and Equipment" which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property, plant and equipment; and

Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" which specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

There were other amendments in various Indian Accounting Standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations", Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture" which have not been listed herein above since these are either not relevant or material to the Company.

Revision in these standards did not have material impact on the profit/ loss and earnings per share for the year.

#### 1.5.2. Standards issued but not yet effective

On 31st March, 2023, Ministry of Corporate Affairs (MCA) has made certain amendments to existing Indian Accounting Standards vide Companies (Indian Accounting Standards) Amendment Rules, 2023.

These amendments to the extent relevant to the Company's operations include amendment to

Ind AS 1 "Presentation of Financial Statements" which requires the entities to disclose their material accounting policies rather than their significant accounting policies,

Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" which has introduced a definition of 'accounting estimates' and include amendments to help entities distinguish changes in accounting policies from changes in accounting estimates.

Further, consequential amendments with respect to the concept of material accounting policies have also been made in, Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 34 "Interim Financial Reporting".

There are other amendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations, Ind AS 109 "Financial Instruments" Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes" which has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and Ind AS 102 "Share-based Payment" which have not been listed herein above since these are either not material or relevant to the Company.

Even though the company will evaluate the impact of above, these amendments as such are not vital in nature and are not likely to have material impact on the financial statements of the Company.



## Notes to Financial Statements as at and for the year ended 31st March 2023

₹ in lakhs

### 2.1.A PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Buildings Including Roads	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments including Computer	Total
<b>(A) Gross Carrying Value</b>							
<b>As at beginning of 1st April 2021</b>	<b>34,579.93</b>	<b>68,019.32</b>	<b>2,81,205.02</b>	<b>571.21</b>	<b>2,248.50</b>	<b>519.60</b>	<b>3,87,143.58</b>
Additions during the year	-	453.29	1,560.99	-	0.08	12.64	2,027.00
Disposals / deductions during the year	-	-	(312.88)	-	(225.99)	-	(538.87)
Other adjustments during the year							
Foreign Exchange differences	-	-	809.10	-	-	-	809.10
<b>As at end of 31st March 2022</b>	<b>34,579.93</b>	<b>68,472.61</b>	<b>2,83,262.23</b>	<b>571.21</b>	<b>2,022.59</b>	<b>532.24</b>	<b>3,89,440.81</b>
Additions during the year	-	44.99	5,532.44	-	-	6.04	5,583.47
Disposals/ deductions during the year	-	-	(80.06)	-	(40.59)	(4.34)	(124.99)
Other adjustments during the year							
Foreign Exchange differences	-	-	-	-	-	-	-
<b>As at end of 31st March 2023</b>	<b>34,579.93</b>	<b>68,517.60</b>	<b>2,88,714.61</b>	<b>571.21</b>	<b>1,982.00</b>	<b>533.94</b>	<b>3,94,899.29</b>
<b>(B) Accumulated Depreciation</b>							
<b>As at beginning of 1st April 2021</b>	<b>-</b>	<b>20,974.93</b>	<b>1,90,594.22</b>	<b>508.00</b>	<b>2,043.80</b>	<b>455.32</b>	<b>2,14,576.27</b>
Charge for the year	-	1,900.22	9,830.74	19.81	15.43	20.38	11,786.58
Deductions during the year	-	-	(108.17)	-	(214.69)	-	(322.86)
<b>As at end of 31st March 2022</b>	<b>-</b>	<b>22,875.15</b>	<b>2,00,316.79</b>	<b>527.81</b>	<b>1,844.54</b>	<b>475.70</b>	<b>2,26,039.98</b>
Charge for the year	-	1,791.42	8,733.75	6.41	15.30	18.35	10,565.23
Deductions during the year	-	-	(75.29)	-	(38.56)	(4.34)	(118.19)
<b>As at end of 31st March 2023</b>	<b>-</b>	<b>24,666.57</b>	<b>2,08,975.25</b>	<b>534.22</b>	<b>1,821.28</b>	<b>489.71</b>	<b>2,36,487.03</b>
<b>(C) Net Block (A-B)</b>							
<b>As at end of 31st March 2022</b>	<b>34,579.93</b>	<b>45,597.46</b>	<b>82,945.44</b>	<b>43.40</b>	<b>178.05</b>	<b>56.54</b>	<b>1,63,400.83</b>
<b>As at end of 31st March 2023</b>	<b>34,579.93</b>	<b>43,851.03</b>	<b>79,739.36</b>	<b>36.99</b>	<b>160.72</b>	<b>44.23</b>	<b>1,58,412.16</b>

2.1.A.1 The Company acquired 520 equity shares of Akruti Centre Point Infotech Private Limited by virtue of which the company received title, right & ownership of the unit no.202 at Akruti Centre, Mumbai. The gross block of the same is ₹ 1,144.89 lakhs (previous year ₹ 1,144.89 lakhs). The unit is being used as marketing office of the company. The figure is included in Buildings above.

2.1.A.2 Refer Note 2.13.3 and 2.19.1 to Financial Statements in respect of charges created.

2.1.A.3 In reference to Accounting Policy in Note no 1.3.8, the Company has capitalised/ decapitalised exchange loss/ gain respectively arising on long-term foreign currency loan and exchange loss amounting to NIL (Previous year - exchange loss ₹ 809.10 Lakhs) has been adjusted to the cost of Plant and Equipments. The unamortised amount as on March 31, 2023 ₹ 7,772.19 Lakhs ( Previous year ₹ 8,351.35 Lakhs).

2.1.A.4 The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) are held in the name of the company.

2.1.A.5 No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2.1.A.6 The company has not revalued its Property, Plant and Equipment during the year ended 31st March 2023 and 31st March 2022.

## Notes to Financial Statements as at and for the year ended 31st March 2023

₹ in lakhs

### 2.1.B CAPITAL WORK IN PROGRESS

Particulars	Total
<b>As at beginning of 1st April 2021</b>	<b>8636.37</b>
Add : Addition during the year	550.07
Less : Transfer to Property, Plant & Equipment	868.00
Less : Adjustment during the year	8.84
<b>As at 31st March 2022</b>	<b>8309.60</b>
Add : Addition during the year	59.48
Less : Transfer to Property, Plant & Equipment	5568.48
Less : Adjustment during the year	395.35
<b>As at end of 31st March 2023</b>	<b>2405.25</b>

#### Details of Capital Work in Progress

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
Plant and Equipments	2,405.25	8,309.60
<b>Grand Total</b>	<b>2,405.25</b>	<b>8,309.60</b>

#### As on 31st March 2023

#### Capital-Work-in Progress (CWIP)

₹ in lakhs

CWIP	< 1 Year	1-2 year	2-3 year	> 3 Years	Total
Projects In Progress	-	-	-	1,644.51	1,644.51
Projects Temporary Suspended	2.20	7.40	84.13	667.01	760.74
<b>Grand Total</b>	<b>2.20</b>	<b>7.40</b>	<b>84.13</b>	<b>2,311.52</b>	<b>2,405.25</b>

#### Completion schedule of Capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in lakhs

CWIP	To be completed in				Total
	< 1 Year	1-2 year	2-3 year	> 3 Years	
Project wise Details					
Repairing and Rebuilt of Furnances & Others	2,405.25	-	-	-	<b>2,405.25</b>

- The delay in project are due to financial stress in the company. Currently the company is under CIRP and expect to complete all the projects (including suspension) immediately once the situation will normalize.
- During the year projects amounting to ₹ 289.90 Lakhs has been closed and all items under these projects has been scrapped and dislosed under Inventories.

#### As on 31st March 2022

#### Capital-Work-in Progress (CWIP)

₹ in lakhs

CWIP	< 1 Year	1-2 year	2-3 year	> 3 Years	Total
Projects In Progress	290.96	39.86	55.48	6,926.97	7,313.27
Projects Temporary Suspended	7.40	60.05	139.82	789.05	996.33
<b>Grand Total</b>	<b>298.36</b>	<b>99.91</b>	<b>195.30</b>	<b>7,716.02</b>	<b>8,309.60</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

**Completion schedule of Capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan:**

₹ in lakhs

CWIP Project wise Details	To be completed in				Total
	< 1 Year	1-2 year	2-3 year	> 3 Years	
Rebuilt of Furnances - 5	45.34	-	-	-	45.34
Rebuilt of Furnances - 11	6,881.63	-	-	-	6,881.63

The delay in project are due to financial stress in the company. Further the lenders has hold any payment towards rebuilt of furnances. Once, the situation will normalize, company expect to complete the project immediately.

### 2.1.C RIGHT OF USE ASSETS

₹ in lakhs

Particulars	Land	Buildings	Total
<b>(A) Gross Carrying Value</b>			
<b>As at beginning of 1st April 2021</b>	<b>5,379.78</b>	<b>9.18</b>	<b>5,388.96</b>
Additions during the year	-	-	-
Disposals/ deductions during the year	-	-	-
<b>As at end of 31st March 2022</b>	<b>5,379.78</b>	<b>9.18</b>	<b>5,388.96</b>
Additions during the year	-	-	-
Disposals/ deductions during the year	-	-	-
<b>As at end of 31st March 2023</b>	<b>5,379.78</b>	<b>9.18</b>	<b>5,388.96</b>
<b>(B) Accumulated Depreciation</b>			
<b>As at beginning of 1st April 2021</b>	<b>519.97</b>	<b>2.13</b>	<b>522.10</b>
Charge for the year	65.46	0.15	65.61
Deductions	-	-	-
<b>As at end of 31st March 2022</b>	<b>585.43</b>	<b>2.28</b>	<b>587.71</b>
Charge for the year	65.46	0.12	65.58
Deductions	-	-	-
<b>As at end of 31st March 2023</b>	<b>650.89</b>	<b>2.40</b>	<b>653.29</b>
<b>(C) Net Block (A-B)</b>			
<b>As at end of 31st March 2022</b>	<b>4,794.35</b>	<b>6.91</b>	<b>4,801.25</b>
<b>As at end of 31st March 2023</b>	<b>4,728.89</b>	<b>6.78</b>	<b>4,735.67</b>

2.1.C.1. Refer note 2.39 to Financial Statement for other disclosures in respect of Lease.

2.1.C.2 The company has not revalued its Right of use assets during the year ended March 31, 2023 and March 31, 2022.

2.1.C.3 Refer Note 2.13.3 and 2.19.1 to Financial Statements in respect of charges created.

### 2.1.D Other Intangible Assets

₹ in lakhs

Particulars	Computer Softwares
<b>(A) Gross carrying value</b>	
<b>As at beginning of 1st April 2021</b>	<b>1,361.97</b>
Additions during the year	-
Disposals / deductions during the year	22.56
<b>As at end of 31st March 2022</b>	<b>1,384.53</b>
Additions during the year	-
Disposals / deductions during the year	-
<b>As at end of 31st March 2023</b>	<b>1,384.53</b>

**Notes to Financial Statements** as at and for the year ended 31st March 2023

₹ in lakhs

Particulars	Computer Softwares
<b>(B) Accumulated Amortisation</b>	
<b>As at beginning of 1st April 2021</b>	<b>1,314.18</b>
Charge for the year	47.39
Deductions	22.56
<b>As at end of 31st March 2022</b>	<b>1,384.13</b>
Charge for the year	0.16
Deductions	-
<b>As at end of 31st March 2023</b>	<b>1,384.29</b>
<b>(C) Net Block (A-B)</b>	
<b>As at end of 31st March 2022</b>	<b>0.40</b>
<b>As at end of 31st March 2023</b>	<b>0.24</b>

**2.1.D.1** The company has not revalued its other Intangible assets during the year ended 31st March 2023 and 31st March 2022.

**2.1.D.2** Refer Note 2.13.3 and 2.19.1 to Financial Statements in respect of charges created.

**2.2 NON CURRENT INVESTMENTS**

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Non-Current investments measured at fair value through profit or loss			
<b>Investment in Equity Shares (Unquoted)</b>			
Other Bodies Corporate - Fully paid-up Equity Shares			
Brabourne Commerce Private Limited		0.09	0.09
107 (107) of Face Value ₹ 10 each			
The Calcutta Stock Exchange Association Limited	2.2.3		
8,364 (8,364) of Face Value ₹ 1 each			
		131.42	119.64
<b>Investment in Government Securities at amortised cost</b>			
National Savings Certificates	2.2.4	0.15	0.15
		<b>131.66</b>	<b>119.88</b>

**2.2.1** Aggregate carrying amount of unquoted investment

131.66

119.88

**2.2.2** Particulars of Investments as required in terms of Section 186(4) of the Companies Act 2013 have been disclosed under note 2.2 above.

**2.2.3** Company's Investment in equity share of The Calcutta Stock Exchange Association Limited have been valued based on latest available audited financial statement for the year ended 31st March 2022. The same will be updated and consequential adjustment will be given effect on availability of audited financial statement for the year ended 31st March 2023.

**2.2.4** Investment in National Saving Certificate is kept as deposit with Sales Tax Department, Chennai.

## Notes to Financial Statements as at and for the year ended 31st March 2023

₹ in lakhs

### 2.3 OTHER NON CURRENT FINANCIAL ASSETS

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Measured at Amortised Cost			
<b>Unsecured, Considered good</b>			
Security Deposits		7,709.55	7,307.46
Fixed Deposits with Banks (With more than 12 months maturity)	2.3.1	246.71	244.57
		<b>7,956.26</b>	<b>7,552.03</b>

2.3.1 Deposit with Banks are lying with the Government Authorities/ Power Distribution Company as a security

### 2.4 OTHER NON-CURRENT ASSETS

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>Capital Advances</b>			
Considered Good		527.76	596.65
Credit Impaired		222.29	222.29
Less : Impairment Allowance		(222.29) 527.76	(222.29) 596.65
Others			
Prepaid Expenses		80.26	54.36
		<b>608.02</b>	<b>651.01</b>

### 2.5 INVENTORIES

(Valued at lower of Cost or Net Realisable Value)

(Value taken and certified by the Management)

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Raw Materials	2.5.1 & 2.5.4	7,531.28	4,788.04
Own Cullet		301.85	1,784.84
Work in Progress		665.39	674.30
Finished Goods (Net of Provision)	2.5.3, 2.5.4 & 2.5.5	20,044.54	22,191.32
Stores and Spare ( Net of provision)	2.5.1 & 2.5.2 & 2.5.4	12,233.89	11,439.69
Packing Materials	2.5.1	1,408.72	1,522.78
Machinery Scrap		330.62	8.38
		<b>42,516.29</b>	<b>42,409.35</b>

#### 2.5.1 Above include Material in Transit :

₹ in lakhs

	As at 31st March 2023	As at 31st March 2022
Raw Materials	1,480.46	1273.95
Stores and Spares	107.82	126.55
Packing Materials	17.61	21.51

2.5.2 Inventories of Stores and Spare Parts include certain slow moving, non-moving and obsolete items. An impairment allowance of ₹ 679.28 Lakhs (Previous year ₹ 678.54 Lakhs) towards obsolescence for such slow moving, non-moving and obsolete items is carried in the books and the management is of the opinion that the same is adequate and no further impairment allowance is required.

## Notes to Financial Statements as at and for the year ended 31st March 2023

**2.5.3** Inventories of Finished Goods include certain slow moving, non-moving and obsolete items. Provision of ₹ 693.71 Lakhs (Previous year - ₹ 693.71 Lakhs) towards obsolescence for such slow moving, non-moving and obsolete items is carried in the books and the management is of the opinion that the same is adequate and no further impairment allowance is required.

**2.5.4** Refer Note 2.13.3.B and 2.19.1 to Financial Statements in respect of charge created.

**2.5.5** During the year Finished Goods of ₹ 1,222.25 Lakhs (Previous Year ₹ 2,358.23 Lakhs) was written down to NRV or Cullet price and recognized as an expense in Statement of Profit and Loss.

### 2.6 TRADE RECEIVABLES

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
(Measured at Amortised cost)			
Trade Receivables Considered Good - Secured		-	-
Trade Receivables Considered Good - Unsecured		30,251.88	34,656.91
Trade Receivables which have Significant increase in credit risk		229.79	736.42
Trade Receivables Credit Impaired		-	-
Less: Impairment Allowances for receivables		(520.25)	(731.39)
		<b>29,961.42</b>	<b>34,661.94</b>

**2.6.1** The accounts of some of the customers are pending for reconciliation / confirmation.

**2.6.2** There is no customer which represent more than 10% of the total balance of trade receivables as at the end of the reporting period.

**2.6.3** Trade receivable ageing schedule

#### As at 31st March 2023

₹ in lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		< 6 Months	6-12 month	1-2 year	2-3 year	> 3 Years	
i. Undisputed Trade Receivables- considered good	15,259.49	13,491.90	658.53	540.48	184.04	117.44	30,251.88
ii. Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii. Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
iv. Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
v. Disputed Trade Receivables – which have significant increase in credit risk	-	40.59	5.22	-	57.40	126.58	229.79
vi. Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Impairment Allowance	-	-	115.53	305.26	91.90	7.56	520.25
<b>Grand Total</b>	<b>15,259.49</b>	<b>13,532.49</b>	<b>548.22</b>	<b>235.22</b>	<b>149.54</b>	<b>236.46</b>	<b>29,961.42</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

**As at 31st March 2022**

₹ in lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		< 6 Months	6-12 month	1-2 year	2-3 year	> 3 Years	
i. Undisputed Trade Receivables- considered good	2,894.97	30,323.42	536.51	532.91	251.83	87.24	34,626.89
ii. Undisputed Trade Receivables – which have significant increase in credit risk				43.20	512.82		556.02
iii. Undisputed Trade Receivables – credit impaired			-		-		-
iv. Disputed Trade Receivables- considered good	-	-	-	-	-	30.03	30.03
v. Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	3.61	176.79	-	180.40
vi. Disputed Trade Receivables – credit impaired							-
Less: Impairment Allowance		190.45			512.82	28.12	731.39
<b>Grand Total</b>	<b>2,894.97</b>	<b>30,132.97</b>	<b>536.51</b>	<b>579.72</b>	<b>428.62</b>	<b>89.15</b>	<b>34,661.94</b>

### 2.6.4 Movement of Impairment allowances for Trade Receivable

₹ in lakhs

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Balance at Beginning of the year	731.39	342.63
Add: Impairment Allowance recognised/adjustment during the year	72.97	426.00
Less: Impairment Allowances adjusted against bad debts	284.11	9.15
Less: Impairment Allowances Written Back	-	28.09
Balance at the end of the year	<b>520.25</b>	<b>731.39</b>

2.6.5 Details relating to the company's, credit risk management have been given in note 2.44 (II).

2.6.6 No Trade Receivables are due from directors or other officers of the company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, a director or a member.

2.6.7 Trade Receivables are non-interest bearing and are generally on terms of 30 to 90 days.

### 2.7.A CASH AND CASH EQUIVALENTS

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
(Measured at Amortised Cost)			
<b>Balances with Banks:</b>			
In Current Accounts	2.7.A.1	18,281.49	15,854.02
In Deposit Accounts (With original maturity of less than 3 months)		3,000.00	2.01
Cash on Hand		6.04	5.91
		<b>21,287.53</b>	<b>15,861.94</b>

2.7.A.1 Current Account includes as at 31st March 2023 an amount of ₹ 337.37 Lakhs (Previous Year ₹ 337.37 Lakhs) which is not available to the company for utilisation, being appropriated by Lead Bank SBI pending towards repayment of External Commercial Borrowings.



## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.7.B BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
(Measured at Amortised Cost)			
In Deposit Accounts (With original maturity more than 3 months and upto 12 months)		96.47	92.80
Balance With Consortium Lenders	2.7.B.1	1,107.18	1,107.18
		<b>1,203.65</b>	<b>1,199.98</b>

**2.7.B.1** Represents amount kept aside by the Consortium Lenders towards Corpus Fund for meeting legal expense. The same is not available for use by the company.

### 2.8 OTHER CURRENT FINANCIAL ASSETS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
(Measured at Amortised Cost)			
<b>Unsecured, Considered good</b>			
Security Deposits		15.02	15.54
Interest Receivable		242.58	214.19
State Incentives	2.8.1	389.64	731.41
Others		5.74	5.74
		<b>652.98</b>	<b>966.88</b>

**2.8.1** State Incentives includes :

- (a) ₹ 103.83 Lakhs (Previous Year ₹ 103.83 Lakhs) for Input VAT Credit - Deferred, which can be utilised only after repayment of corresponding amount of Sales Tax Deferred Loan.
- (b) ₹ 285.81 Lakhs (Previous Year ₹ 627.58 Lakhs) as Industrial Promotion Assistance.

**2.8.2** Others Includes Insurance Claim Receivable ₹ 209.10 Lakhs (Previous Year ₹ 45.35 lakhs) being doubtful, complete provision against the same provided in the books.

### 2.9 CURRENT TAX ASSETS (NET)

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Advance Income Tax		650.66	455.07
Less: Provision for Income Tax		(55.56)	(55.56)
		<b>595.10</b>	<b>399.51</b>

### 2.10 OTHER CURRENT ASSETS

₹ in lakhs

	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Advance other than Capital Advance			
Other Advances			
Advance to Suppliers			
-Considered Good		9,020.75	9,066.12
-Credit Impaired		610.36	610.41
Less: Impairment Allowances	2.10.1	(610.36)	(610.41)
Balances/ Deposit with Government Authorities			
-Considered Good		4,098.24	3,765.82
-Credit Impaired		11.28	11.28

## Notes to Financial Statements as at and for the year ended 31st March 2023

₹ in lakhs

	Ref Note No.	As at 31st March 2023		As at 31st March 2022	
Less: Impairment Allowances	2.10.1	(11.28)	4,098.24	(11.28)	3,765.82
<b>Others</b>					
Prepaid Expenses			769.98		1,048.47
Advance against Expenses			14.54		19.83
			<b>13,903.51</b>		<b>13,900.24</b>

### 2.10.1 Movement of Impairment Allowance for Advances

₹ in lakhs

	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Balance at Beginning of the year	621.69	621.69
Add: Recognised during the year	-	-
Less: Adjusted during the year	0.05	-
<b>Balance at the end of the year</b>	<b>621.64</b>	<b>621.69</b>

**2.10.2** No Advances are due from firm or private company in which any director of the company is a director or a member.

### 2.11 EQUITY SHARE CAPITAL

₹ in lakhs

	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital subdivided into :				
Equity Shares of ₹ 2/- each	2,50,75,00,000	50,150.00	2,50,75,00,000	50,150.00
Preference Shares of ₹ 2/- each	5,00,00,000	1,000.00	5,00,00,000	1,000.00
Issued, Subscribed and fully paid - up Share Capital - Equity Shares of ₹ 2/- each	8,95,53,565	1,791.07	8,95,53,565	1,791.07
		<b>1,791.07</b>		<b>1,791.07</b>

**2.11.1** The Company has only one type of issued shares i.e Equity shares having a face value of ₹ 2/- each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential dues. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

**2.11.2** There has been no change in the number of shares outstanding at the beginning and at the end of the reporting periods.

**2.11.3** Details of the Share holders holding more than 5% shares along with number of shares held:

Name of Share Holders	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% of holding	Number of Shares	% of holding
Brabourne Commerce Private Limited	2,17,49,485	24.29%	2,17,49,485	24.29%
Spotlight Vanijya Limited	1,61,99,975	18.09%	1,61,99,975	18.09%
Rungamattee Trexim Private Limited	45,90,550	5.13%	45,90,550	5.13%
Spotme Tracon Private Limited	45,90,545	5.13%	45,90,545	5.13%

The above shareholding represents both legal and beneficial shareholding.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.11.4 The details of Shareholding of Promoters are as under :

#### As at 31st March, 2023

Name of Promoters	No of shares at the beginning of the year	Change during the Year	No of shares at the end of the year	% of Total Shares	% change during the year
Brabourne Commerce Private Limited	2,17,49,485	-	2,17,49,485	24.29%	-
Spotlight Vanijya Limited	1,61,99,975	-	1,61,99,975	18.09%	-
Rungamattee Trexim Private Limited	45,90,550	-	45,90,550	5.13%	-
Spotme Tracon Private Limited	45,90,545	-	45,90,545	5.13%	-
Mukul Somany	40,21,370	-	40,21,370	4.49%	-
Sanjay Somany	31,12,865	-	31,12,865	3.48%	-
Chandra Kumar Somany HUF *	18,61,870	-	18,61,870	2.08%	-
Sudha Somany	18,29,070	-	18,29,070	2.04%	-
Rashmi Somany	11,04,250	-	11,04,250	1.23%	-
Amita Somany	8,93,000	-	8,93,000	1.00%	-
Late Chandra Kumar Somany *	8,04,750	-	8,04,750	0.90%	-
Bharat Somany	7,47,800	-	7,47,800	0.84%	-
Sanjay Somany - Karta of HUF	8,22,635	-	8,22,635	0.92%	-
Mukul Somany - Karta of HUF	4,50,675	-	4,50,675	0.50%	-
Khazana Marketing Private Limited	2,80,000	-	2,80,000	0.31%	-
Saurav Contractors Private Limited	2,80,000	-	2,80,000	0.31%	-
<b>Total</b>	<b>6,33,38,840</b>		<b>6,33,38,840</b>	<b>70.73%</b>	

#### As at 31st March, 2022

Name of Promoters	No of shares at the beginning of the year	Change during the Year	No of shares at the end of the year	% of Total Shares	% change during the year
Brabourne Commerce Private Limited	2,17,49,485	-	2,17,49,485	24.29%	-
Spotlight Vanijya Limited	1,61,99,975	-	1,61,99,975	18.09%	-
Rungamattee Trexim Private Limited	45,90,550	-	45,90,550	5.13%	-
Spotme Tracon Private Limited	45,90,545	-	45,90,545	5.13%	-
Mukul Somany	40,21,370	-	40,21,370	4.49%	-
Sanjay Somany	31,12,865	-	31,12,865	3.48%	-
Chandra Kumar Somany HUF *	18,61,870	-	18,61,870	2.08%	-
Sudha Somany	18,29,070	-	18,29,070	2.04%	-
Rashmi Somany	11,04,250	-	11,04,250	1.23%	-
Amita Somany	8,93,000	-	8,93,000	1.00%	-
Late Chandra Kumar Somany *	8,04,750	-	8,04,750	0.90%	-
Bharat Somany	7,47,800	-	7,47,800	0.84%	-
Sanjay Somany - Karta of HUF	8,22,635	-	8,22,635	0.92%	-
Mukul Somany - Karta of HUF	4,50,675	-	4,50,675	0.50%	-
Khazana Marketing Private Limited	2,80,000	-	2,80,000	0.31%	-
Saurav Contractors Private Limited	2,80,000	-	2,80,000	0.31%	-
<b>Total</b>	<b>6,33,38,840</b>		<b>6,33,38,840</b>	<b>70.73%</b>	

\* The Shares held by Late Chandra Kumar Somany and Chandra Kumar Somany HUF has not been transferred as the same has been pledged with Consortium Bankers. These will be transferred as and when the pledge is released.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.12 OTHER EQUITY

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Capital Reserve	2.12.1	7,312.74	7,013.83
Securities Premium Reserve	2.12.2	10,363.83	10,363.83
General Reserve	2.12.3	69,573.87	69,573.87
Retained Earnings	2.12.4 & 2.12.5	(1,88,804.36)	(1,65,378.23)
		<b>(1,01,553.92)</b>	<b>(78,426.70)</b>

Refer Statement of Changes in Equity for movement in balances of Reserves.

**2.12.1** Capital Reserve includes ₹ 2.90 Lakhs (Previous Year ₹ 2.90 Lakhs) pertaining to scheme of arrangement in earlier years and balance has been receipts from Trusts as explained in note 2.12.1A

**2.12.1A** In terms of Scheme of Arrangement pursuant to the Order of Hon'ble High Court, Calcutta dated April 7, 2008 and by the Hon'ble High Court, Delhi dated 19th March 2008 (the Scheme) sanctioning the amalgamation of Ace Glass Containers Limited (AGCL) with the Company, 13,68,872 and 21,41,448 equity shares of ₹ 10/- each of the Company issued in lieu of the shares of the Company held by AGCL and shares of AGCL held by the Company were transferred to ACE Trust and HNG Trust respectively in earlier years for the sole benefit of the Company. Out of the shares so transferred 68,44,360 and 77,97,240 equity shares of ₹ 2/- each of the Company (after subdivision of 1 equity share of ₹ 10/- each into 5 equity shares of ₹ 2/- each w.e.f. 13th November 2009) were held by ACE Trust and HNG Trust respectively as on 31st March 2018. In view of the shares being held for the sole benefit of the Company as mentioned above, the book value of ₹ 6,014.85 Lakhs of these investments has been shown as deduction from Shareholders Fund and thereby General Reserve is adjusted to that extent. Receipt from the Trusts on account of beneficial interest is credited to Capital Reserve. During the year, 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 ₹ 298.91 lakhs and the same has been adjusted towards the principal obligation of the debt. As on date an aggregate amount of ₹ 1,716.89 lakhs has been adjusted against principal obligation of debt with credit to corresponding Capital reserve.

**2.12.2** Securities Premium Reserve represents the amount received in excess of par value of securities. The same shall be utilised in accordance with the provision of the Act.

**2.12.3** General Reserve is created by an appropriation from one component of equity (generally Retained Earning) to another, not being an item of other comprehensive income. The same can be utilised in accordance with provisions of The Companies Act, 2013.

**2.12.4** Retained Earnings generally represent the undistributed profits/ amount of accumulated earnings of the Company. It includes ₹ 30,784.08 Lakhs (Previous Year - ₹ 30,830.61 Lakhs) which is not available for distribution as dividend represented by change in carrying amount of Freehold and Leasehold Land upon measurement at Fair Value for deemed cost on the date of transition to Ind AS i.e. 1st April 2015. Additional Depreciation due to Fair Value Measurement to the extent provided each year becomes available for distribution as dividend.

**2.12.5** Retained Earnings includes Other Comprehensive Income of ₹ (552.87) Lakhs (Previous Year ₹ (459.07) Lakhs) represents remeasurement of defined benefits plan.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.13 BORROWINGS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023		As at 31st March 2022	
		Non Current	Current	Non Current	Current
<b>At Amortised Cost</b>					
<b>Secured Loans</b>					
<b>a) Debentures</b>					
10.40% Redeemable Non Convertible Debentures	2.13.3(A) & 2.13.3(E)	-	16,001.12		16,001.12
<b>b) Term Loans</b>					
From Banks	2.13.3(B to E) & 2.13.7	-	83,544.10		83,544.10
From a Financial Institution	2.13.3(B),2.13.3 (E)	-	7,114.33		7,114.33
From Other	2.13.3 (B to E)	-	38,168.93		38,467.84
<b>c) Foreign Currency Term Loans</b>					
From Banks/ FI	2.13.3 (B & E)	-	47,943.40	-	47,943.40
<b>Unsecured Loans</b>					
<b>a) Debentures</b>					
10.00% Redeemable Non Convertible Debentures	2.13.2	-	10,000.00	10,000.00	-
<b>b) Term Loans</b>					
From Related Party	2.13.8 & 2.36.1.C	-	8,738.50	4,574.51	-
<b>c) Deferred Payment Liabilities</b>					
Sales Tax Deferment Loan		-	202.02	-	202.02
		<b>-</b>	<b>2,11,712.40</b>	<b>14,574.51</b>	<b>1,93,272.81</b>

**2.13.1** Financial Creditors has already submitted their Claim with Resolution Professional, hence entire loan has been called back and has been considered as Current Portion. (Also Refer Note no 2.48)

### 2.13.2 Repayment details of Non Convertible Debentures at unamortised cost outstanding as on : ₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
10.00% Unsecured Non Convertible Debentures allotted on 17.07.2019 are due for redemption at par at the end of the tenure i.e 09.07.2024	10,000.00	10,000.00
10.40% Secured Non Convertible Debentures allotted on 03.02.2012 are due for redemption at par at the end of the tenure i.e 03.02.2022	8,000.56	8,134.93
10.40% Secured Non Convertible Debentures allotted on 23.11.2011 are due for redemption at par at the end of the tenure i.e 23.11.2021	8,000.56	8,134.93

### 2.13.3 "Nature of Security for borrowings:

- Non-Convertible Debentures 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.
- Term loans from Banks (other than a loan of ₹ 7,500 Lakhs assigned to EARC Trust SC-404) and Financial Institution 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 and second charge ranking pari-passu on entire current assets of the Company, both present and future.

## Notes to Financial Statements as at and for the year ended 31st March 2023

- C) Term Loan from Others represents Loan from other Body Corporates. The same along with ₹ 7,500 Lakhs assigned to EARC Trust- SC 404 are secured by second 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.
- D) Term Loan from Banks and Others are further secured by the pledge against treasury shares of the Company held by HNG Trust and ACE Trust (Refer Note no. 2.12.1A and 2.13.5.B).
- E) Additional Security to lenders who have agreed to Corrective Action Plan (CAP) :
- (i) Pledge of 51% of the Company's Shareholding held by Promoter and Promoter Group on pari passu basis with other lenders.
- (ii) Personal Guarantee of Mr Sanjay Somany and Mr Mukul Somany. (Invoked by DBS Bank Limited on 5th April 2022)
- F) Immovable properties mentioned in 2.13.3(A),(B)&(C) above excludes certain plots of land having book value of ₹ 3,326 Lakhs (Previous Year ₹ 3,326 Lakhs)

**2.13.4** During the tenure of the loan, some of them has been reassigned by the original Lenders to the current Lenders. The Reassignment is as follows :

	Current Lenders	Earlier Lenders
a)	EARC Trust- SC 368	HDFC Bank Ltd.
b)	Canara Bank	Syndicate Bank (through merger)
c)	EARC Trust- SC 404	Axis Bank Ltd.
d)	EARC Trust- SC 367	L & T Finance Limited
e)	EARC Trust- SC 245	The HSBC Ltd.
f)	Goldman Satche International Bank	Rabo Bank
g)	Exclusive Capital Limited	Standard Chartered Bank which transferred to UV Asset Reconstruction Company Ltd

**2.13.5** The Company has deposited an amount of ₹ 55,001.57 Lakhs with State Bank of India, as per the terms & conditions of the Memorandum of Understanding (MOU) dated 27th August 2018 and Compromise and Settlement Agreement dated 25th September 2018. The Amount so deposited has been appropriated by State Bank of India to all the Lenders as per the table below :

Name of Bank /Financial Institution/Others	₹ in lakhs			
	FY 18-19	FY 19-20	FY 20-21	FY 21-22
State Bank of India	12,775.60	3,499.95	4,998.98	1,309.66
Canara Bank	1,297.49	469.80	670.60	175.69
EARC Trust - SC 368	1,918.26	694.09	991.32	259.71
EARC Trust - SC 404	1,568.62	516.51	738.19	193.39
EARC Trust - SC 245	2,011.08	726.89	1,039.03	272.21
EARC Trust - SC 367	224.67	81.83	116.63	30.55
Export-Import Bank of India	882.79	318.72	455.90	119.44
Life Insurance Corporation of India	1,985.76	718.61	1,025.77	268.74
DBS Bank Ltd	3,962.90	1,433.24	2,047.57	536.43
Goldman Sachs International Bank	1,455.77	527.11	752.76	197.21
Bank of Baroda	471.18	129.87	185.54	48.61
M/s Exclusive Capital Limited	445.90	160.01	230.60	60.41
<b>Total</b>	<b>29,000.00</b>	<b>9,276.64</b>	<b>13,252.88</b>	<b>3,472.05</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

During the year, 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 ₹ 298.91 lakhs and the same has been adjusted towards the principal obligation of the debt. As on date an aggregate amount of ₹ 1,716.89 lakhs has been adjusted against principal obligation of debt with credit to corresponding Capital reserve. (Refer Note 2.12.1) as per the below given table :

### 2.13.5.B

Name of Bank /Financial Institution/Others	Pledged By	No. of Equity Shares Sold	Amount (₹ in Lakhs)
EARC Trust- SC 367	M/s ACE Trust	5,45,501	459.20
EARC Trust- SC 404	M/s ACE Trust	30,50,000	389.90
EARC Trust- SC 404	M/s HNG Trust	44,50,000	568.88
EARC Trust- SC 367	M/s ACE Trust	18,82,204	298.91
<b>Total</b>		<b>99,27,705</b>	<b>1,716.89</b>

In absence of detailed documentation from respective lenders for the adjustment of the aforementioned appropriation of the funds, the company has decided to adjust the same in the books in the following manner:

- If the lender has provided both long term and short term facilities, then the amount appropriated have been adjusted against the short term facilities first and if balance remains then with long term facility.
- If the lender is having any one facility only, then with the outstanding balance.
- Interest for the period post appropriation shall be calculated proportionately after the above adjustment. Accordingly, interest amounting to ₹ 4,994.80 Lakhs as on 31st March 2023 (Previous Year ₹ 4,994.80 Lakhs) is short booked.

**2.13.6** Outstanding ECB borrowing as per books USD 641.27 lakhs as on 31st March 2023 (Previous Year 641.27 Lakhs) has been reinstated at an exchange rate ₹ 74.7635 per USD being rate as prescribed in www.fbil.org.in as on 21st October 2021 being date of admission for CIRP.

### 2.13.7 Summary of Default in repayment of borrowings along with Interest

#### A) Redemption of Non Convertible Debenture

₹ in lakhs

Due Date	23rd November 2021	3rd February 2022	Total
Life Corporation of India	8,000.56	8,000.56	16,001.12

#### B) Term Loan

₹ in lakhs

Bank	SBI	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	Exim Bank	EARC Trust - SC 367	EARC Trust - SC 245	DBS	Goldman Sachs International Bank	Total
December-2017	496.00	112.50	187.50	375.00	-	-	-	-	-	1,171.00
March-2018	1,553.10	112.50	187.50	440.00	-	-	-	1,046.60	-	3,339.70
June-2018	744.00	168.70	250.00	375.00	-	-	67.77	-	-	1,605.47
September-2018	2,244.00	168.70	250.00	472.50	-	-	259.10	2,990.54	-	6,384.84
December-2018	744.00	168.70	250.00	375.00	-	-	259.10	-	1,368.04	3,164.84
March-2019	2,244.00	168.70	250.00	472.50	-	-	259.10	2,990.54	-	6,384.84
June-2019	869.00	197.00	343.75	375.00	-	-	302.28	-	1,869.09	3,956.12
September-2019	2,369.00	197.00	343.75	488.75	-	103.70	302.28	2,990.54	-	6,795.02
December-2019	869.00	197.00	343.75	375.00	-	156.25	302.28	2,315.46	1,869.09	6,427.83
March-2020	3,494.00	197.00	343.75	488.75	-	156.25	302.28	-	-	4,982.03
June-2020	1,240.00	281.20	437.50	375.00	-	156.25	431.83	6,728.72	2,803.63	12,454.13
September-2020	3,865.00	281.20	437.50	537.50	57.16	156.25	431.83	-	-	5,766.44
December-2020	1,240.00	281.20	437.50	375.00	229.25	156.25	431.83	6,728.72	2,803.63	12,683.38
March-2021	3,865.00	281.20	437.50	537.50	229.25	156.25	431.83	-	-	5,938.53
June-2021	1,240.00	281.20	437.50	375.00	229.25	156.33	431.83	8,074.46	3,364.36	14,589.93
September-2021	3,865.00	281.20	437.50	537.50	229.25	156.33	431.83	-	-	5,938.61
As on 21st October 2021	43,728.00	7,538.00	3,500.00	2,552.50	6,140.17	156.33	11,573.06	-	-	75,188.06
<b>TOTAL</b>	<b>74,669.10</b>	<b>10,913.00</b>	<b>8875.00</b>	<b>9,527.50</b>	<b>7,114.33</b>	<b>1,510.20</b>	<b>16,218.23</b>	<b>33,865.57</b>	<b>14,077.83</b>	<b>1,76,770.76</b>



## Notes to Financial Statements

as at and for the year ended 31st March 2023

₹ in lakhs

## C) Working Capital Loan

Bank	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 404	DBS	Exclusive Capital Limited	Bank of Baroda	Total
1st November 2017 to 21st October 2021	4,672.60	1,706.80	730.25	1,214.26	3,598.68	2,729.70	14,652.30
<b>TOTAL</b>	<b>4,672.60</b>	<b>1,706.80</b>	<b>730.25</b>	<b>1,214.26</b>	<b>3,598.68</b>	<b>2,729.70</b>	<b>14,652.30</b>

## D) Interest on Non Convertible Debenture

₹ in lakhs

Bank	1st February 2018	1st November 2018	1st February 2019	1st November 2019	1st February 2020	1st November 2020	1st February 2021	21st October 2021	TOTAL
Life Corporation of India	1,040.00	1,040.00	1,040.00	962.38	937.24	879.10	867.71	1,371.60	8,138.02

## E) Term Loan Interest

₹ in lakhs

Bank Name	SBI	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 245	EXIM	EARC Trust - SC 404	EARC Trust - SC 367	DBS	Goldman Sachs International Bank	Total
November-2017	-	3.35	-	-	-	-	-	-	-	3.35
December-2017	-	101.95	82.98	149.40	75.10	75.66	-	-	-	485.09
January-2018	-	101.95	82.91	149.42	83.06	75.66	-	-	-	493.00
February-2018	-	92.08	74.89	134.96	75.02	68.34	-	-	-	445.29
March-2018	701.72	101.95	82.91	149.42	83.06	75.66	290.03	309.75	1,794.50	
April-2018	679.10	98.66	80.23	130.14	80.38	74.03	196.85	-	1,339.39	
May-2018	701.73	101.95	82.91	134.48	83.06	74.03	-	-	1,178.16	
June-2018	679.10	98.66	80.23	174.00	80.38	74.03	66.71	341.92	1,787.65	
July-2018	701.73	101.95	82.91	134.48	83.06	74.85	132.24	-	1,311.21	
August-2018	701.73	101.95	82.91	134.48	83.06	74.85	-	-	1,178.97	
September-2018	679.10	98.66	80.23	174.49	80.38	74.85	70.31	366.21	1,828.91	
October-2018	701.73	101.95	82.91	134.48	83.06	74.85	142.11	-	1,321.09	
November-2018	679.10	98.66	80.23	130.14	80.38	74.85	-	-	1,143.36	
December-2018	701.73	101.95	82.91	178.82	83.06	74.85	70.31	356.25	1,850.32	
January-2019	701.73	101.95	79.15	149.42	83.07	75.66	-	138.60	1,329.58	
February-2019	633.82	92.09	71.49	134.96	75.03	68.34	-	-	1,075.72	
March-2019	701.73	101.95	79.15	149.42	76.22	75.66	56.92	355.87	1,807.16	
April-2019	679.09	98.67	80.24	130.14	72.40	73.22	144.81	-	1,278.57	
May-2019	701.73	101.95	82.91	134.48	74.82	75.66	-	-	1,171.55	
June-2019	679.09	98.67	80.24	174.00	72.40	73.22	53.35	325.63	1,752.50	
July-2019	701.73	101.95	82.91	134.48	74.82	75.66	132.47	-	1,304.03	
August-2019	701.73	101.95	82.91	134.48	74.82	75.66	-	-	1,171.55	
September-2019	679.09	98.67	80.24	174.48	72.34	73.22	53.93	322.52	1,736.82	
October-2019	701.73	101.95	82.91	134.48	72.89	75.66	125.10	-	1,294.73	
November-2019	679.09	98.67	80.24	130.14	70.54	73.22	-	-	1,131.90	
December-2019	701.73	101.95	82.91	178.82	72.89	75.66	52.54	302.01	1,739.84	
January-2020	701.73	101.95	82.91	134.48	72.89	75.66	130.11	-	1,299.74	
February-2020	656.46	95.38	77.57	125.80	68.19	70.78	-	-	1,094.17	
March-2020	701.73	101.95	82.91	178.34	72.89	75.66	51.97	312.92	1,756.05	
April-2020	679.09	98.67	80.24	144.60	66.39	73.22	135.20	-	1,277.41	
May-2020	701.73	101.95	82.91	149.42	68.43	75.66	-	-	1,180.11	
June-2020	679.09	98.67	80.24	144.11	66.23	73.22	48.81	309.56	1,677.93	
July-2020	701.73	101.95	82.91	148.92	68.43	75.66	134.13	-	1,313.74	
August-2020	701.73	101.95	82.91	148.92	68.43	75.66	-	-	1,179.61	

## Notes to Financial Statements as at and for the year ended 31st March 2023

₹ in lakhs

Bank Name	SBI	EARC Trust - SC 368	Canara Bank	EARC Trust - SC 245	EXIM	EARC Trust - SC 404	EARC Trust - SC 367	DBS	Goldman Sachs International Bank	Total
September-2020	679.09	98.67	80.24	144.11	66.23	73.22	49.31	182.76	111.55	1,485.17
October-2020	701.73	101.95	82.91	148.92	68.43	75.66		69.61	-	1,249.22
November-2020	679.09	98.67	80.24	144.11	66.23	73.22		-	-	1,141.56
December-2020	701.73	101.95	82.91	148.87	68.41	75.66	49.30	178.16	105.03	1,512.04
January-2021	701.73	101.95	82.91	148.23	68.12	75.66		67.76	-	1,246.37
February-2021	633.82	92.09	74.89	133.49	61.58	68.34		-	-	1,064.20
March-2021	701.73	101.95	82.91	147.39	68.00	75.66	47.87	172.03	98.16	1,495.71
April-2021	679.09	98.67	80.24	142.31	65.40	73.22		65.40	-	1,204.34
May-2021	701.73	101.95	82.91	146.58	67.90	75.66		-	-	1,176.74
June-2021	679.09	98.67	80.24	141.38	65.53	73.22	48.00	175.27	99.07	1,460.47
July-2021	701.70	101.95	82.91	145.73	67.02	75.66	-	66.73	-	1,241.71
August-2021	701.15	101.95	82.91	145.34	67.61	75.66	-	-	-	1,174.63
September-2021	676.89	98.67	80.24	140.32	65.29	73.22	48.12	171.85	97.55	1,452.16
upto 21st October 2021	472.56	69.07	56.17	97.98	45.02	51.25	10.93	121.62	23.07	947.66
<b>TOTAL</b>	<b>30,123.56</b>	<b>4,676.74</b>	<b>3,789.74</b>	<b>6,817.31</b>	<b>3,407.99</b>	<b>3,468.10</b>	<b>778.37</b>	<b>5,965.74</b>	<b>2,557.39</b>	<b>61,584.95</b>

## F) CC &amp; WCDL Interest

₹ in lakhs

Bank Name	SBI	EARC Trust - SC 368	Canara Bank	Exclusive Capital Limited	DBS	EARC Trust - SC 404	EARC Trust - SC 245	Bank of Baroda	Total
November-2017	-	54.24	-	-	-	-	4.52	-	58.76
December-2017	-	28.93	-	41.43	-	-	31.21	-	101.57
January-2018	-	25.77	28.02	42.04	-	-	31.21	26.80	153.84
February-2018	-	50.63	25.31	37.96	-	-	28.19	26.80	168.89
March-2018	195.66	56.05	28.03	42.04	7.30	-	30.78	28.01	387.87
April-2018	198.23	54.25	27.12	114.22	24.89	-	29.73	27.12	475.56
May-2018	209.12	56.05	28.03	4.67	26.74	-	30.78	28.03	383.42
June-2018	202.28	54.25	27.12	4.52	25.89	20.59	29.73	27.12	391.50
July-2018	208.89	56.05	28.03	115.57	19.53	37.65	30.78	28.03	524.53
August-2018	208.76	56.05	28.03	4.67	19.53	37.65	30.78	28.03	413.50
September-2018	201.89	54.25	27.12	4.52	18.45	36.43	29.73	27.12	399.51
October-2018	208.61	56.05	28.03	115.57	19.53	37.65	30.78	28.03	524.26
November-2018	201.88	54.25	27.12	4.52	18.45	36.43	29.73	27.12	399.51
December-2018	208.09	56.05	28.03	4.67	19.53	37.65	30.78	28.03	412.83
January-2019	207.67	56.05	28.03	42.04	19.11	37.65	30.78	28.03	449.35
February-2019	187.57	50.63	25.32	34.96	17.27	34.00	28.61	25.32	403.67
March-2019	107.38	41.17	17.96	38.70	2.46	26.70	16.09	24.33	274.80
April-2019	85.46	36.90	15.39	36.65	16.47	23.73	12.85	22.86	250.32
May-2019	88.26	38.13	15.91	37.86	17.01	24.52	13.28	23.63	258.60
June-2019	85.18	36.90	15.39	36.67	16.47	23.73	12.85	22.86	250.06
July-2019	87.82	61.85	28.25	37.83	16.85	26.24	13.28	36.37	308.49
August-2019	87.51	61.85	28.25	37.83	16.85	26.24	13.28	36.37	308.17
September-2019	83.99	59.72	27.24	36.58	16.04	25.31	12.72	35.17	296.77
October-2019	66.34	57.66	25.41	36.87	16.36	23.45	8.28	35.58	269.95
November-2019	64.20	55.80	24.59	35.68	16.19	22.69	8.01	34.44	261.60
December-2019	66.34	57.66	25.41	36.87	17.28	23.45	11.01	35.58	273.60
January-2020	66.34	57.66	25.41	36.87	19.84	23.45	8.28	35.58	273.43
February-2020	62.06	53.94	23.77	34.49	18.56	21.94	7.74	33.19	255.70
March-2020	66.34	57.66	25.41	36.87	19.84	23.45	10.98	34.78	275.33
April-2020	18.72	53.52	18.49	33.58	14.76	21.19	6.02	25.52	191.79

## Notes to Financial Statements as at and for the year ended 31st March 2023

₹ in lakhs

Bank Name	SBI	EARC Trust - SC 368	Canara Bank	Exclusive Capital Limited	DBS	EARC Trust - SC 404	EARC Trust - SC 245	Bank of Baroda	Total
May-2020	17.45	50.19	18.85	34.62	5.17	18.49	2.72	26.30	173.80
June-2020	16.89	46.39	18.24	33.50	7.51	16.44	-	25.46	164.42
July-2020	17.45	47.94	18.84	34.62	14.79	16.99	-	26.30	176.93
August-2020	17.45	47.94	18.84	34.62	14.79	16.99	-	26.30	176.93
September-2020	16.89	46.39	18.23	33.50	14.31	16.44	-	25.46	171.22
October-2020	17.46	47.94	18.84	34.62	14.79	16.99	-	26.30	176.93
November-2020	16.89	46.39	18.23	33.50	14.31	16.44	-	25.46	171.23
December-2020	17.23	47.89	18.81	34.61	14.70	16.96	-	26.30	176.50
January-2021	13.98	47.25	18.38	34.46	14.18	16.53	-	26.17	170.94
February-2021	10.69	42.28	16.33	31.03	12.52	14.66	-	23.57	151.08
March-2021	9.76	46.41	17.81	34.30	13.15	15.97	-	26.02	163.41
April-2021	7.84	44.59	17.02	33.08	13.40	15.24	-	25.12	156.30
May-2021	5.70	45.60	17.27	34.07	12.91	15.43	-	25.87	156.86
June-2021	3.13	43.66	16.39	32.86	11.56	14.62	-	24.94	147.16
July-2021	1.44	44.75	16.69	33.88	11.24	14.86	-	25.71	148.57
August-2021	-	44.36	16.42	33.78	11.99	14.60	-	25.63	146.79
September-2021	-	42.60	15.67	32.62	11.18	13.91	-	24.75	140.74
upto 21st October 2021	-	29.57	10.80	22.78	7.34	9.57	-	17.28	97.33
<b>TOTAL</b>	<b>3,664.91</b>	<b>2,362.12</b>	<b>1,011.87</b>	<b>1,723.21</b>	<b>681.07</b>	<b>932.90</b>	<b>615.49</b>	<b>1,272.77</b>	<b>12,264.34</b>

### 2.14 NON CURRENT LEASE LIABILITIES

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Lease Liabilities	2.37	3.75	3.74
		<b>3.75</b>	<b>3.74</b>

**2.14.1** Further to above, the company has certain lease arrangements on short term basis or low value items, expense on which has been recognised under line item "Rent" under "Other Expenses".

### 2.15 OTHER NON CURRENT FINANCIAL LIABILITIES

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Retention Money		31.00	368.67
		<b>31.00</b>	<b>368.67</b>

### 2.16 PROVISIONS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Provision for Employee Benefits	2.41	1,594.70	1,283.61
Provision for Contingencies	2.16.2	-	1,919.70
		<b>1,594.70</b>	<b>3,203.31</b>

**2.16.1** The provision for employee benefits includes gratuity and vested long service leave entitlements accrued to employees which are payable as per the terms of their appointment. For other disclosures, refer Note 2.41 of financial statements.

**2.16.2** There has been a claim of wage revision by the Trade Union of two of Units of the Company viz. Puducherry and Nasik in the year 2015-16 and 2019-20 respectively. The Company has disputed the same and the matter is subjudice. However, on a conservative basis the Company has made provisions of the amount of expected Cash Outflow in the books. As the amount is due to be paid immediately on settlement of the case, the same has been classified as current provision during the year.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.17 DEFERRED TAX LIABILITIES (NET)

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Deferred Tax Liability		21,665.62	26,544.87
Less : Deferred Tax Assets		(21,665.62)	(26,544.87)
		-	-

#### Significant Component of Deferred Tax (Net) for the year ended 31st March 2023 are as follows :

₹ in lakhs

Name of Bank /Financial Institution/Others	As at 31st March 2022	Recognised in Profit or loss during the year	Recongnised in OCI during the year	As at 31st March 2023
<b>Deferred Tax Liability</b>				
Property, Plant and Equipment and Intangible Assets.	26,544.87	(4,879.25)	-	21,665.62
Gross Deferred Tax Liability	26,544.87	(4,879.25)	-	21,665.62
Deferred Tax Assets				
Provision for Post Retirement Benefits and Other Employment Benefits	794.82	(178.75)	42.54	658.61
Brought Forward Unabsorbed Depreciation	24,481.32	(5,067.95)	-	19,413.37
Impairment Allowances of Trade & Other Receivable	1,268.73	324.91	-	1,593.64
Gross Deferred Tax Asset	26,544.87	(4,921.79)	42.54	21,665.62
<b>Net Deferred Tax Liability</b>	-	<b>42.54</b>	<b>(42.54)</b>	-

#### Significant Component of Deferred Tax (Net) for the year ended 31st March 2022 are as follows :

₹ in lakhs

Name of Bank /Financial Institution/Others	As at 31st March 2021	Recognised in Profit or loss during the year	Recongnised in OCI during the year	As at 31st March 2022
<b>Deferred Tax Liability</b>				
Property, Plant and Equipment and Intangible Assets.	28,059.42	(1,514.55)	-	26,544.87
Gross Deferred Tax Liability	28,059.42	(1,514.55)	-	26,544.87
Deferred Tax Assets				
Provision for Post Retirement Benefits and Other Employment Benefits	739.48	55.34	-	794.82
Brought Forward Unabsorbed Depreciation	24,346.99	134.33	-	24,481.32
Impairment Allowances of Trade & Other Receivable	2,972.95	(1,704.22)	-	1,268.73
Gross Deferred Tax Asset	28,059.42	(1,514.55)	-	26,544.87
<b>Net Deferred Tax Liability</b>	-	-	-	-

**2.17.1** Carried forward unabsorbed depreciation has been considered to the extent of deferred tax liability. As a matter of prudence, the remaining amount of unabsorbed depreciation resulting in deferred tax asset has been ignored.

## Notes to Financial Statements as at and for the year ended 31st March 2023

The amount of Deductible Temporary Differences, Unused Tax Losses and Unused Tax Credits for which no Deferred Assets is recognized in the Balance Sheet

₹ in lakhs

<b>Unrecognised unused Tax Losses and unused Tax credits</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
(i) Unabsorbed Depreciation	1,06,713.14	80,446.80
(ii) Unabsorbed Business loss	21,131.77	12,253.88
(iii) Unused Tax Credits(Minimum Alternate Tax)	2,530.98	2,530.98
(iv) Items Disallowed under Section 43B	69,978.32	69,978.32

**2.17.3** Since Company has carried forward losses, unrecognised unused tax losses and unused tax credits, reconciliation of tax expense has not been provided.

**2.17.4** Deferred Tax Asset & Liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities & where deferred tax assets & liabilities relate to income tax levied by the same taxation authority.

### 2.18 OTHER NON-CURRENT LIABILITIES

₹ in lakhs

<b>Particulars</b>	<b>Ref Note No.</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
Other Liabilities			
Mould Advance		901.86	912.92
Deferred Liability Payable on ICD		-	3,234.22
		<b>901.86</b>	<b>4,147.14</b>

### 2.19 BORROWINGS

₹ in lakhs

<b>Particulars</b>	<b>Ref Note No.</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
<b>Secured Loans</b>			
Working Capital Facilities from Banks (repayable on demand)	2.19.1 & 2.19.2	14,652.30	14,652.30
Current Maturities of Long Term Debt	2.13 & 2.19.3	1,92,771.88	1,93,272.81
<b>Unsecured Loans</b>			
Current Maturities of Long Term Debt		18,940.52	-
		<b>2,26,364.70</b>	<b>2,07,925.11</b>

**2.19.1** Working Capital Facilities (Fund Based and Non Fund Based ) from banks are secured by - pari passu first charge hypothecation of entire current assets of the company, both present and future and pari passu second charge on entire Property, Plant and Equipment of the company in favour of consortium Lenders.

#### 2.19.2 Additional Securities to Lenders who have agreed to CAP :

- Pledge of 51% of the Company's Shareholding held by Promoter and Promoter Group on pari passu basis with other lenders.
- Personal Guarantee of Mr Sanjay Somany and Mr Mukul Somany.

**2.19.3** The above amount includes ₹ 31,409.02 (Previous Year ₹ 56,638.59) which has been recalled by the Consortium Lenders under ongoing CIRP.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.20 CURRENT LEASE LIABILITIES

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Lease Liability		0.52	0.50
		<b>0.52</b>	<b>0.50</b>

### 2.21 TRADE PAYABLES

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Payables for goods and services	2.21.1		
Total Outstanding dues of Micro Enterprises & Small Enterprises		12,211.71	5,476.24
Total Outstanding dues of Creditors Other than Micro Enterprises & Small Enterprises		43,713.94	39,417.65
		<b>55,925.65</b>	<b>44,893.89</b>

**2.21.1** Trade Payable includes ₹ 10,560.42 Lakhs (Previous Year ₹ 8,112.26 Lakhs) towards provision for Contractual take or pay deficiency liability.

**2.21.2** Based on the information/ documents available with the company, information as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payables to supplier of capital goods are as follows :

₹ in lakhs

MSME	As at 31st March 2023	As at 31st March 2022
(i) The amount remaining unpaid to any supplier as at the end of the accounting year.	12,575.01	4,896.97
(ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during accounting year;	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	341.21	36.04
(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	2,664.04	579.27
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under section 23.	1,567.34	-
	<b>15,239.05</b>	<b>5,476.24</b>

**2.21.3** For the year ended March 31,2023 ₹ 2,083.09 Lakhs has been provided towards interest to MSME vendors on the basis of the relevant declarations received during the year from the respective vendors regarding their status as defined under the Micro, Small and Medium Enterprise Development Act, 2006., which forms part of the Interest on Others under Finance Cost in note no 2.31.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.21.4 Trade Payable ageing schedule

As on 31st March 2023

₹ in lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		< 1 Year	1-2 year	2-3 year	> 3 Years	
(i) Micro Enterprises & Small Enterprises	2,160.90	3,395.41	6,252.14	385.00	18.26	12,211.71
(ii) Others	8,877.96	10,123.27	19,603.97	3,510.31	1,508.91	43,624.42
(iii) Disputed Dues - Micro Enterprises & Small Enterprises	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	89.52	89.52
<b>Grand Total</b>	<b>11,038.86</b>	<b>13,518.69</b>	<b>25,856.11</b>	<b>3,895.30</b>	<b>1,616.69</b>	<b>55,925.65</b>

As on 31st March 2022

₹ in lakhs

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		< 1 Year	1-2 year	2-3 year	> 3 Years	
(i) Micro Enterprises & Small Enterprises	73.58	4,700.99	672.29	12.71	16.67	5,476.24
(ii) Others	1,524.76	32,054.45	4,053.73	497.15	1,198.04	39,328.13
(iii) Disputed Dues - Micro Enterprises & Small Enterprises	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	89.52	89.52
<b>Grand Total</b>	<b>1,598.34</b>	<b>36,755.44</b>	<b>4,726.02</b>	<b>509.86</b>	<b>1,304.23</b>	<b>44,893.89</b>

### 2.22 OTHER CURRENT FINANCIAL LIABILITIES

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>Measured at Amortized Cost</b>			
Interest accrued on Borrowings	2.22.1	83,849.11	83,849.11
<b>Other payables</b>			
Liabilities for Capital Goods			
Total Outstanding dues of Micro Enterprises & Small Enterprises		-	-
Total Outstanding dues of Creditors Other than Micro Enterprises & Small Enterprises		1,330.49	1,347.44
Others			
Payables related to Employee		2,069.78	1,794.61
Others		366.58	314.80
		<b>87,615.96</b>	<b>87,305.96</b>

**2.22.1** Interest accrued on borrowings includes finance cost on Non Convertible Debentures issued by company had been calculated till 21st October 2021 (CIRP admission date). Under the Code, the treatment of creditors under the resolution plan is as per debts due as on insolvency commencement date and therefore no interest are accrued and payable after this date. For the details of default in interest refer Note 2.13.7 (D,E & F)

### 2.23 CURRENT TAX LIABILITIES (NET)

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Provision for Income tax		94.19	94.19
		94.19	94.19



## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.24 OTHER CURRENT LIABILITIES

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Advance from Customers		1,230.12	876.88
<b>Other payables</b>			
Statutory Dues - PF, ESI, Service Tax, TDS, Entry Tax, Goods & Service Tax, etc.	2.24.1	6,776.20	6,632.82
Current Maturities of Deferred Liability Payable on ICD		-	585.37
		<b>8,006.32</b>	<b>8,095.07</b>

**2.24.1** Includes Balance of GST amounting to ₹ 1,716.56 Lakhs (Previous Year ₹ 1,716.56 Lakhs) unpaid for the period from 1st October 2021 to 21st October 2021. (Date of initiation of CIRP)

### 2.25 CURRENT PROVISIONS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Provision for Employee Benefits	2.25.1	1,207.14	258.38
Provision for Contingent Liability	2.16.2	2,386.80	-
		<b>3,593.94</b>	<b>258.38</b>

**2.25.1** The provision for employee benefits includes gratuity and vested long service leave entitlements accrued and compensation claim payable to employees which are payable as per the terms of their appointments. For other disclosures, refer Note. 2.41

### 2.26 REVENUE FROM OPERATIONS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>Sale of Products</b>			
Finished Goods (Container Glass Bottles)		2,45,153.74	2,07,793.00
<b>Other Operating Revenue</b>			
Government Grants & Other Incentives		133.17	198.11
Freight Income		448.48	581.65
<b>Revenue from Operations</b>		<b>2,45,735.39</b>	<b>2,08,714.72</b>

#### 2.26.1 Revenue from Contract with Customer (additional disclosures under IND AS 115)

₹ in lakhs

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>A. Revenue from Contracts with Customers disaggregated based on geography</b>		
Within India	2,33,480.78	1,98,016.17
Outside India	12,254.61	10,698.55
	<b>2,45,735.39</b>	<b>2,08,714.72</b>
<b>B. Reconciliation of Revenue from Contract with Customers</b>		
Revenue from Contracts with Customers as per Contract price	2,45,834.25	2,08,398.78
Adjustments made to Contract price on account of:		
a) Price Difference	(130.75)	281.80
b) Sales Return Adjusted	3.70	-
c) Volume Discount	28.19	34.15
	<b>2,45,735.39</b>	<b>2,08,714.72</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.27 OTHER INCOME

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023		For the Year Ended 31st March 2022	
<b>Interest Income :</b>					
Income Tax Refundable		5.47		39.90	
On deposits and others		301.12	306.59	246.26	286.16
Deferred Gain on Fair Value of Financial Instrument			146.34		585.37
<b>Other Non Operating income (net of expense directly attributable to such income)</b>					
Insurance Claim received			320.76		545.95
Scrap Sales			353.06		419.28
Rent and Hire Charges			36.41		33.23
Liabilities no longer required written back	2.27.1		29.37		1,388.36
Miscellaneous Income			194.18		132.28
<b>Other Gains and Losses</b>					
Gain on Fair Value of Non Current Investment			11.78		-
			<b>1,398.49</b>		<b>3,390.63</b>

2.27.1 Includes impairment allowances for trade receivables written back for the year ended is NIL (Previous year ₹ 28.09 Lakhs).

### 2.28 COST OF MATERIALS CONSUMED

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Materials Consumed		97,490.77	75,972.19

### 2.29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Opening Stock</b>			
Finished Goods		22,191.32	20,736.92
Work-in-Progress		674.30	560.29
		<b>22,865.62</b>	<b>21,297.21</b>
Less :			
<b>Closing Stock</b>			
Finished Goods		20,044.54	22,191.32
Work-in-Progress		665.39	674.30
		<b>20,709.93</b>	<b>22,865.62</b>
<b>(Increase)/ Decrease</b>		<b>2,155.69</b>	<b>(1,568.41)</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.30 EMPLOYEE BENEFITS EXPENSE

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Salaries and Wages (Includes Wages to Contractual Workers)		20,511.20	19,726.07
Contribution to Provident and Other Funds		1,187.93	1,219.15
Staff Welfare Expense		278.70	286.03
		<b>21,977.83</b>	<b>21,231.25</b>

### 2.31 FINANCE COSTS

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Interest Expense</b>			
On Borrowings		490.91	11,581.21
On Others	2.21.3	2,242.72	457.12
Other Borrowing Costs		-	1.21
		<b>2,733.63</b>	<b>12,039.54</b>

### 2.32 DEPRICIATION AND AMORTIZATION EXPENSES

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Depreciation and Amortization Expenses</b>			
On Property, Plant & Equipment	2.1.A	10,565.23	11,786.58
On Right-of-Use Assets	2.1.C	65.58	65.61
On Other Intangible Assets	2.1.D	0.16	47.39
		<b>10,630.97</b>	<b>11,899.58</b>

### 2.33.A POWER AND FUEL

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Power and Fuel		1,04,183.86	90,897.30
		<b>1,04,183.86</b>	<b>90,897.30</b>

### 2.33.B OTHER EXPENSES

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Consumption of Stores and Spare Parts	2.33.B.1	7,066.58	8,737.87
Consumption of Packing Material		16,458.19	18,698.31
Rent		1,003.63	1,321.07
Repairs to :			
Plant and Equipment		757.69	808.85
Buildings		159.13	349.94
Others		140.75	227.41
Rates & Taxes		176.39	349.31
Insurance		1,113.39	1,168.58
Legal & Professional Expenses		1,048.80	733.03
Commission on Sales		77.26	55.70

## Notes to Financial Statements

as at and for the year ended 31st March 2023

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Freight Outwards and Other Selling Expenses		1,454.61	1,931.02
Bad Debts Written Off		284.11	9.15
Less: Impairment Allowances for Trade Receivable		(284.11)	(9.15)
Impairment Allowances against Trade Receivables/ Advances		72.97	123.80
Charity and Donation		0.08	0.05
Loss on Sale/ Discard of Property Plant and Equipment (Net)		2.78	194.67
Loss on Foreign Currency Transactions and Translation (Net)		78.67	52.96
Other Miscellaneous Expenses	2.33.B.2	1,639.89	1,733.51
		<b>31,250.81</b>	<b>36,486.08</b>

2.33.B.1 Profit or loss on sale of Stores has been adjusted in consumption.

2.33.B.2 Other Miscellaneous Expenses include :

₹ in lakhs

a) Payment to Auditors	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>To Auditor:</b>			
Statutory Audit Fees		24.75	24.75
Tax Audit Fees		5.25	5.25
Certifications etc		6.18	7.38
		<b>36.18</b>	<b>37.38</b>
b) Directors Travelling Expenses		-	3.01
c) Directors Sitting Fees		4.60	5.40

2.33.B.3 The company incurred ₹ 1,003.63 lakhs for the year ended 31st March 2023 (Previous Year ₹ 1,321.07 Lakhs) towards expenses relating to short term leases and leases of low value assets.

### 2.34 EARNINGS PER SHARE (EPS)

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Loss after Tax		(23,332.22)	(34,852.35)
Net Loss used numerator for computing Basic and Diluted EPS	(a)	<b>(23,332.22)</b>	<b>(34,852.35)</b>
Weighted Average number of Equity shares outstanding used as denominator for computing Basic and Diluted EPS	(b)	8,95,53,565	8,95,53,565
Basic and Diluted EPS (a/b)		(26.05)	(38.92)

2.34.1 As there is uncertainty regarding lender's right of conversion of term loan to equity shares, computation for diluted earnings per share has not been worked out for the same.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.35 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

#### A. CONTINGENT LIABILITIES

₹ in lakhs

Sl. No.	Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>(I)</b>	<b>Claims against the company not acknowledged as debt</b>			
1	Central Excise/Sales Tax matter under appeals		1,925.35	2,215.96
2	Service Tax demand issued against which the Company has filed for refund and which in the opinion of the management are not tenable.		188.32	13.06
3	Excise Duty and Octroi demand issued against which the Company has preferred appeals and which in the opinion of the management are not tenable.		1,064.17	1,064.17
4	Cases pending with labour courts (to the extent ascertainable)		246.93	165.37
5	Other Claims against the Company not acknowledged as debt.		658.20	888.91
6	Octroi on Transportation of natural gas through pipeline.		433.21	419.53
7	Gujarat State Petroleum Corpn. Limited - CST Diff of 13%		101.40	101.40
8	Local Area Development Tax (Entry tax) Demand		-	-
9	Claim against differential VAT including Interest- by GAIL		1,471.00	1,471.00
10	Demand under FEMA		200.00	200.00
13	Mathadi Act for 1999-2001		-	257.87
15	Gst Showcause Notice Issued By Gst Range Behror		-	14.89
18	Demand of stamp duty against transfer of land from L&T		37.67	37.67
19	Property Tax Demand by Municipal Council - Bahadurgarh		209.69	-
<b>(II)</b>	<b>Other money for which the Company is contingently liable</b>			
	Interest on Disputed Entry Tax *		32.75	31.75

**2.35.1** The Company's pending litigation comprises of claims against the Company and proceedings pending with tax/statutory/government authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed the contingent liabilities, where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of items as mentioned above are determinable only on receipt of judgement/decisions pending with various forums/authorities.

#### B. CAPITAL AND OTHER COMMITMENTS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance); Advance of ₹ 750.05 Lakhs (Previous Year ₹ 818.94 Lakhs)		264.31	369.28

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.36 Particulars of Unhedged Foreign Currency Exposure

Particulars	As at 31st March 2023		As at 31st March 2022	
	Foreign Currency (in Lakhs)	INR Value (₹ in Lakhs)	Foreign Currency (in Lakhs)	INR Value (₹ in Lakhs)
<b>Payables</b>				
-EUR	9.42	843.77	9.59	811.57
-GBP	0.56	56.66	0.56	55.37
-JPY	0.84	0.52	0.84	0.52
-USD	12.95	1,064.97	13.93	1,055.63
-AUD	0.51	27.89	0.51	28.84
-NPR	22.94	14.33	72.60	45.36
<b>Receivables</b>				
-USD	3.67	301.56	4.76	361.07
-EUR	-	-	1.11	93.83
-GBP	-	-	0.23	22.48
<b>Foreign Currency loans</b>				
-USD	641.27	52,723.23	641.27	47,943.40

### 2.37 SEGMENT INFORMATION

The Company's business is exclusively manufacturing and selling of Container Glass Bottles and as such in the view of the Chief Operation Decision Maker (CODM) this is the only operating business segment, as per the Ind AS 108 on Operating Segments. Thus no separate segment information is disclosed for primary business segment. Secondary Segment information is reported geographically.

#### Geographical Segment

a) The following table shows the distribution of the Company's Revenue from operations by Geographical market :  
₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Domestic Market		2,33,480.78	1,99,001.92
Overseas Market		12,254.61	10,698.55
<b>Total</b>		<b>2,45,735.39</b>	<b>2,09,700.47</b>

b) The following table shows the distribution of the Company's Trade Receivables by Geographical market :

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Domestic Market		28,653.22	33,786.65
Overseas Market		1,308.21	875.29
<b>Total</b>		<b>29,961.43</b>	<b>34,661.94</b>

### 2.38 RELATED PARTY DISCLOSURES

#### I Names of the related parties and nature of relationship

##### A) Key Managerial Personnel and their relatives

- (i) Mr. Sanjay Somany - Director\*
- (ii) Mr. Mukul Somany - Director\*
- (iii) Mr. Ratna Kumar Daga - Independent Director
- (iv) Mr. Dipankar Chatterji - Independent Director (Resignation Date - July 26, 2021)
- (v) Mrs. Rita Bhimani - Independent Director

## Notes to Financial Statements as at and for the year ended 31st March 2023

(vi) Mr. Amal Chandra Saha- Independent Director

(vii) Mr. Bharat Somany -Son of Mr. Sanjay Somany

\* Since the date of initiation of CIRP Process the Board has been suspended and hence the designations have been restricted to Director only.

**B) Enterprises over which any person described in [A (i) to (vii)] above is able to exercise significant influence and with whom the Company has transactions during the year.**

AMCL Machinery Limited

Mould Equipment Limited

Spotlight Vanijya Limited

**C) Resolution Professional**

Mr. Girish Siriram Juneja

### II Related Party Transactions

**a) Aggregate amount of Transactions with Key Managerial Personnel and their relatives:**

₹ in lakhs

Nature of Transaction	Ref Note No.	Name of the Related Party	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Remuneration		Bharat Somany	22.32	23.66
Sitting Fees		Ratna Kumar Daga - Independent Director	1.95	2.05
		Dipankar Chatterjee - Independent Director	-	0.60
		Rita Bhimani - Independent Director	0.70	0.80
		Amal Chandra Shah - Independent Director	1.95	1.95

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
<b>Short Term Employee Benefits*</b>		
Salary & wages	20.75	19.92
Leave Travel Allowance	-	2.18
Any Other Allowance	1.57	1.57

\* Long term employment benefit does not include gratuity and leave encashment for individual KMP as individual data for the same is not available and the same is provided for based on actuarial valuation.

**b) Aggregate amount of Transactions with related parties as mentioned in (B) above are as follows :**

₹ in lakhs

Nature of Transaction	Ref Note No.	Name of the Related Party	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Purchase of Goods		Mould Equipment Limited	5.42	13.96
Recovery of Expenses		AMCL Machinery Limited	2.92	0.23
		Mould Equipment Limited	-	0.03
Purchase of Stores & Spares		AMCL Machinery Limited	2.80	-
Receipt of Services		Mould Equipment Limited	255.18	352.62
Interest Accrued		Spotlight Vanijya Limited	-	539.75
Rent Received		Mould Equipment Limited	25.13	25.31



## Notes to Financial Statements as at and for the year ended 31st March 2023

c) Aggregate amount of Transactions with related parties as mentioned in (C) above are as follows : ₹ in lakhs

Nature of Transaction	Ref Note No.	Name of the Related Party	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Professional Fees		Girish Siriram Juneja	84.96	38.40
Reimbursement of Expense		Girish Siriram Juneja	6.39	-

d) Balance of Related Parties are as follows : ₹ in lakhs

Nature of Transaction	Ref Note No.	Name of the Related Party	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Payable		Mould Equipment Limited	62.36	99.73
Receivable		AMCL Machinery Limited	2.56	0.19
Loan Outstanding-NCD		Spotlight Vanijya Limited	10,000.00	10,000.00
Loan Outstanding-ICD		Spotlight Vanijya Limited	8,738.50	8,738.50
Interest Payable-NCD		Spotlight Vanijya Limited	1,861.80	2,047.04
Salary Payable		Bharat Somany	1.49	3.17

### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs through Bank mode. For the year ended 31st March 2023, the Company has not recorded any impairment allowances in respect of receivables relating to amounts owed by related parties (Previous Year : Nil). This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

### 2.39 LEASES

#### As Lessee

2.39.1 The company had certain land & buildings accounted as per under IND AS-116.

2.39.2 Leases for which the lease term ends within 12 months of the date of initial application have been accounted as short term leases.

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>ROU Balance at the beginning of the year</b>		4,801.25	4,866.86
Additions During the period		-	-
Amortization cost accrued during the year		65.58	65.61
Deletion during the period		-	-
<b>ROU Balance at the end of the year</b>		<b>4,735.68</b>	<b>4,801.25</b>
<b>Lease liabilities at the beginning of the year</b>		4.24	4.19
Add : Interest cost accrued during the year		0.55	0.55
less : Payment of lease liabilities		(0.52)	(0.50)
<b>Lease liabilities at the end of the year</b>		<b>4.27</b>	<b>4.24</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.39.3 Maturity Analysis of Lease Liability as required under IND AS 116.

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Lease Payments	Present Value	Lease Payments	Present Value
Not more than one year	0.52	0.06	0.52	0.07
Later than one year and not more than five years	2.66	0.21	2.09	0.20
Later than five years	37.62	0.26	38.72	0.33

**2.40** The Company had reported losses during previous quarters/ years. Hence, the net worth of the Company has been eroded.

There is strain on the working capital and operations of the Company and it is undergoing significant financial stress. As stated in Note No. 1, CIRP was initiated in respect of the Company w.e.f 21st October 2021. The Company has assessed that the use of the going concern assumption is appropriate in the circumstances and hence, these financial statements have been prepared on a going concern assumption basis as per below:

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

b) 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 statements have been prepared on a going concern basis.

### 2.41 POST-EMPLOYMENT BENEFIT PLANS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with the insurance companies.

The Company also extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement/ separation. This is an unfunded plan.

The Company has a separate Provident Fund Trust (funded) whereby, all the employees are entitled to benefits as per Provident Fund Act, 1952 / Trust Deed. Any shortfall for the Trust is borne by the Company, hence the same is treated as a defined benefit scheme.

As per Ind AS "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits as defined in the Standard are given below:

#### a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised for the respective years are as under:

₹ in lakhs

Particulars	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Employer's Contribution to Provident Fund	365.71	382.48
Employer's Contribution to Pension Scheme	267.92	295.50

The details of fund and plan asset position are given below:

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Plan assets at year end, at fair value		13,681.18	13,496.65
Present value of benefit obligation at year end		13,100.77	13,008.35
Excess of fund balance over obligation		<b>580.41</b>	<b>488.31</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

**Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:**

₹ in lakhs

Particulars	Ref Note No.	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Discount Rate		7.42%	6.96%
Expected guaranteed interest rate		8.15%	8.10%

### b) Defined Benefit Plan

The employees' gratuity fund scheme managed by Insurers is a defined benefit plan. The present value of obligation is determined based on independent actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

### I. Change in the present value of the Defined Benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

₹ in lakhs

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Liability at the beginning of the year	3,528.40	3,718.34	868.50	783.30
Current Service Cost	271.10	252.90	99.14	88.05
Interest Cost	250.52	258.80	61.66	54.60
Actuarial (gain)/loss on obligations due to Change in Financial Assumption	(52.76)	(14.08)	(18.21)	(3.63)
Actuarial (gain)/loss on obligations due to Unexpected Experience	147.14	(395.32)	(28.12)	(53.82)
Benefits paid	(314.12)	(292.24)	(18.51)	-
<b>Liability at the end of the year</b>	<b>3,830.28</b>	<b>3,528.40</b>	<b>964.45</b>	<b>868.50</b>

Particulars	Total Defined Benefit Obligations	
	2022-23	2021-22
Defined benefit obligation (funded) at the end of the year	3,830.28	3,528.40
Defined benefit obligation (unfunded) at the end of the year	964.45	868.50
<b>Total Defined benefit obligation at the end of the year</b>	<b>4,794.73</b>	<b>4,396.90</b>

### II. Changes in the Fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

₹ in lakhs

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Fair value of plan assets at the beginning of the year	3,621.44	3,707.40	-	-
Interest Income	245.97	247.86	-	-
Return on Plan Assets excluding Interest Income	(88.29)	(41.58)	-	-
Employer contribution	-	-	18.51	-
Benefits paid	(314.12)	(292.24)	(18.51)	-
<b>Fair value of plan assets at the end of the year</b>	<b>3,465.00</b>	<b>3,621.44</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

### III. Expense recognised in the Statement of Profit and Loss (Under the head "Contribution to provident and other funds" - Refer Note 2.28) and Other Comprehensive Income

₹ in lakhs

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Current Service Cost	271.10	252.90	99.14	88.05
Net Interest Cost	4.55	10.94	61.66	54.60
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>275.65</b>	<b>263.84</b>	<b>160.80</b>	<b>142.64</b>

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Actuarial (gain)/loss on obligations due to Change in Financial Assumption	(52.76)	(14.08)	(18.21)	(3.63)
Actuarial (gain)/loss on obligations due to Unexpected Experience	147.14	(395.32)	(28.12)	(53.82)
<b>Total Actuarial (gain)/losses</b>	<b>94.38</b>	<b>(409.40)</b>	<b>(46.34)</b>	<b>(57.45)</b>
Return on Plan Asset, excluding Interest Income	88.29	41.58	-	-
<b>Net expenses recognised in Other Comprehensive Income</b>	<b>182.67</b>	<b>(367.82)</b>	<b>(46.34)</b>	<b>(57.45)</b>

### IV. Balance Sheet Reconciliation

₹ in lakhs

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Present value of the defined benefit obligations at the end of the year	3,830.28	3,528.40	964.45	868.50
Fair value of the plan assets at the end of the year	3,465.00	3,621.44	-	-
<b>Amount Recognised in Balance Sheet</b>	<b>365.28</b>	<b>(93.04)</b>	<b>964.45</b>	<b>868.50</b>

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Opening Net Liability	(93.04)	10.94	868.50	783.30
Expenses as above	458.32	(103.98)	114.46	85.19
Employers Contribution	-	-	(18.51)	-
<b>Amount Recognised in Balance Sheet</b>	<b>365.28</b>	<b>(93.04)</b>	<b>964.45</b>	<b>868.50</b>

V. In respect of Gratuity (funded), the funds are managed by the Insurers. Accordingly, the percentage or amount that each major category constitutes the Fair value of total plan assets and effect thereof on overall expected rate of return on asset have not been disclosed.

### VI. Principal Actuarial assumptions at the Balance Sheet Date

₹ in lakhs

Particulars	Gratuity Funded		Gratuity Unfunded	
	2022-23	2021-22	2022-23	2021-22
Mortality Table	IALM(2012-14) ULTIMATE	IALM(2012-14) ULTIMATE	IALM(2012-14) ULTIMATE	IALM(2012-14) ULTIMATE
Discount rate (per annum)	7.40%	7.10%	7.40%	7.10%
Early Retirement & Disablement (All Causes Combined) above age 56	Varying between 8% per annum to 1% per annum depending on duration and age of the employees.			
Between 25-56				
below age 25				
Rate of escalation in salary (per annum)	<b>6.50%</b>	<b>6.50%</b>	<b>6.50%</b>	<b>6.50%</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

The estimates of rate of escalation in salary considered in actuarial valuation taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

### VII. A quantitative sensitivity analysis for significant assumption are as shown below:

#### a) Gratuity Funded

₹ in lakhs

Particulars	2022-23		2021-22	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	(101.50)	120.25	(105.78)	112.22
Salary Growth (-/+ 0.5%)	127.38	(109.06)	115.97	(110.06)
Attrition Rate (-/+ 0.5%)	10.58	1.30	2.46	(2.65)
Mortality Rate (-/+ 10%)	3.16	(3.17)	0.12	(0.13)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

#### a) Gratuity Unfunded

₹ in lakhs

Particulars	2022-23		2021-22	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	(33.88)	40.14	(33.74)	36.12
Salary Growth (-/+ 0.5%)	42.35	(36.22)	37.81	(35.57)
Attrition Rate (-/+ 0.5%)	3.46	0.18	0.88	(0.94)
Mortality Rate (-/+ 10%)	0.67	(0.67)	0.02	(0.02)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

### VIII. Risks to the Benefit provider (i.e. for employer)

**Parameter risk:** Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be Insufficient to pay off the Liabilities.

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability.

Further, actual withdrawals may be lower or higher than what was assumed in the valuation, which may also impact the plan's liability.

**Risk of illiquid assets:** Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

**Risk of benefit change:** There may be a risk that a benefit promised is changed or is changeable within the terms of the contract. For e.g. the prevailing Act / Regulation may increase the benefits payable under defined benefit plans.

**Asset liability mismatching risk:** ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.42 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>Financial Assets</b>			
<b>Measured at Amortised Cost</b>			
Investments	2.2	0.15	0.15
Trade Receivable	2.6	29,961.42	34,661.94
Cash and Cash Equivalents	2.7.A	21,287.53	15,861.94
Bank Balance other than Cash and Cash Equivalents	2.7.B	1,203.65	1,199.98
Deposits	2.3, 2.8	7,971.28	7,567.57
Other Current Financial Assets	2.8	637.96	951.34
<b>Total financial assets measured at amortised cost</b>		<b>61,061.99</b>	<b>60,242.92</b>
<b>Measured at Fair Value through Profit or Loss</b>			
Non-current Investment	2.2	131.51	119.73
<b>Total Financial Assets measured at Fair Value through Profit or Loss</b>		<b>131.51</b>	<b>119.73</b>
<b>Financial Liabilities</b>			
<b>Measured at Amortised Cost</b>			
Non Current Borrowings	2.13	-	14,574.51
Lease Liability	2.14	3.75	3.74
Current - Borrowings	2.19	14,652.30	14,652.30
Trade payable	2.21	55,925.65	44,893.89
Current maturities of long term debt	2.19	1,92,771.88	1,93,272.81
Other Payables	2.22	2,069.78	314.80
<b>Total financial liabilities measured at amortised cost</b>		<b>2,65,423.36</b>	<b>2,67,712.06</b>

### 2.43 Fair values

#### (i) Fair value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

₹ in lakhs

Particulars	Date of valuation	(Level 1)	(Level 2)	(Level 3)
<b>Disclosures of fair value measurement hierarchy for assets as at 31st March 2023:</b>				
<b>Assets measured at fair value:</b>				
Non Current Investments	31st March 2023	-	-	131.42
<b>Disclosures of fair value measurement hierarchy for assets as at Previous Year</b>				
<b>Assets measured at fair value:</b>				
Non Current Investments	31st March 2022	-	-	119.73

#### (ii) Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received by selling an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The following methods and assumptions were used to estimate the fair values :

- The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/ amortised costs in the financial statements approximates their fair values.

## Notes to Financial Statements as at and for the year ended 31st March 2023

- b) Fair Value of Long term debt approximates their carrying value subject to adjustments made for transaction cost.
- c) Unquoted investments in equity shares have been valued based on the amount available to shareholder's as per the latest audited financial statements wherever available. Further, external observable inputs or assumptions have been used in such valuation of equity shares in other cases. Other investments are valued based on inputs that are directly or indirectly observable in the market place

### 2.44 Financial Risk Management Objectives and policies

The Company's Financial Liabilities comprise Borrowings, Liability for Capital Goods, Trade and Other payables and Other Financial liabilities. The main purpose of these Financial Liabilities is to finance the Company's operations. The Company's Financial Assets include Trade and Other Receivables, Cash and Cash Equivalents, Investments at Cost/ Fair Value and Deposits and Other Financial Assets that derive mainly from its operation.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risks are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below :

#### l) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as raw material and fuel price risk . Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

#### (a) Foreign currency risk

The company undertakes transactions denominated in different foreign currencies primarily in USD and consequently exposed to exchange rate fluctuations. Exchange Rate exposures are managed within approved policy parameters. The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as disclosed under note no. 2.36 above.

#### Foreign currency sensitivity

The company is principally exposed to foreign currency risks against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management assessment of reasonable possible changes in the exchange rate of +/- 5% between USD-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

Particulars	Date of valuation	Changes in USD rate %	Foreign currency Payable (net) ₹ in Lakhs	Effect on profit/(loss) before tax ₹ in Lakhs
<b>31st March 2023</b>				
Weakening of INR		5%	9.28	(38.15)
Strengthening of INR		-5%	9.28	38.15
<b>31st March 2022</b>				
Weakening of INR		5%	9.17	(34.76)
Strengthening of INR		-5%	(9.17)	34.76

The above sensitivity do not include foreign currency risk on borrowings amounting to USD 641.27 Lakhs (Previous year USD 641.27 Lakhs) which are capitalised with the Property, Plant and Equipment and not charged to Statement of Profit and Loss.



## Notes to Financial Statements as at and for the year ended 31st March 2023

### (b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, excluding cross currency interest rate swap. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in lakhs

Particulars	Increase/decrease in basis points	Effect on profit/ (loss) before tax
<b>31st March 2023</b>		
INR	+50	-
USD	+50	-
INR	-50	-
USD	-50	-
<b>31st March 2022</b>		
INR	+50	597.39
USD	+50	4.50
INR	-50	(597.39)
USD	-50	(4.50)

As the Company is under CIRP process it is not liable to pay interest to any of the Lenders. Hence the sensitivity on interest rate has not been calculated.

### (c) Raw Material and Fuel Price Risk

The Company is impacted by the price volatility of certain commodities like raw materials, packing materials and fuel. The Company is impacted by the price volatility of Fuels like Gas, Furnace Oil, etc. To minimize the risk related to fuel price change, the Company uses alternate fuel based on their market prices. The Company swaps and uses alternate fuels based on the cost of energy efficiency and, hence quantification of sensitivity is not practical. To mitigate the volatility in market price of major raw materials, the company has entered into fixed price contract.

### II) Credit risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financial activities, including borrowing from banks and financial institutions.

#### Trade receivables

Credit quality of a customer is assessed based on an appraisal of each customer and individual credit limits are defined in accordance with this assessment and performance of the customer. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for all the customers. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 2.6. The Company has evaluated the concentration of risk with respect to trade receivables as low, as there is no single large customer creating significant risk.

### III) Liquidity Risk

The Company's objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The need of the funds of the company are being met by internal accrual and borrowings as on 21st October 2021, being the date of CIRP admission.

## Notes to Financial Statements as at and for the year ended 31st March 2023

The table below provides details regarding the maturities of significant financial liabilities as of 31st March 2023

₹ in Lakhs

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	More than 5 Years	Total
<b>Non Current Financial Liabilities</b>					
Borrowings	-				-
Lease Liabilities	3.75			3.75	3.75
Other Financial Liabilities	31.00	-	31.00		31.00
<b>Current Financial Liabilities</b>					
Borrowings	2,26,364.70	2,26,364.70			2,26,364.70
Lease Liabilities	0.52	0.52			0.52
Trade Payables	55,925.65	55,925.65			55,925.65
Other Financial Liabilities	87,615.96	87,615.96			87,615.96

The table below provides details regarding the maturities of significant financial liabilities as of 31st March 2022

₹ in Lakhs

Particulars	Carrying Amount	Less than 1 Year	1-5 Years	More than 5 Years	Total
<b>Non Current Financial Liabilities</b>					
Lease Liabilities	0.52	0.52			0.52
Other Financial Liabilities	368.67	368.67			368.67
<b>Current Financial Liabilities</b>					
Borrowings	2,07,925.11	2,07,925.11			2,07,925.11
Lease Liabilities	0.50	0.50			0.50
Trade Payables	44,893.89	44,893.89			44,893.89
Other Financial Liabilities	87,305.96	87,305.96			87,305.96

The Company has current financial and non-financial assets which will be realised in ordinary course of business. The company ensures that it has sufficient cash on demand to meet expected operational expenses.

### 2.45 ASSETS PLEDGED AS SECURITY

The carrying amounts of Assets Pledged as Security for Current and Non-Current Borrowings are:

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
<b>Current</b>			
<b>Financial Assets</b>			
Trade Receivable	2.6	29,961.42	34,661.94
		<b>29,961.42</b>	<b>34,661.94</b>
<b>Non-Financial Assets</b>			
Inventories	2.5	42,516.29	42,409.35
		<b>42,516.29</b>	<b>42,409.35</b>
<b>Total Current Assets Pledged as Security</b>		<b>72,477.71</b>	<b>77,071.29</b>
<b>Non-Current</b>			
Property, Plant & Equipments		1,59,821.82	1,64,876.07
Intangible Assets		0.24	0.40
Capital Work in Progress		2,405.25	8,309.60
Other Non-Current Assets			
<b>Total Non-Current Assets Pledged as Security</b>		<b>1,62,227.31</b>	<b>1,73,186.07</b>
<b>Total Assets Pledged as Security</b>		<b>2,34,705.02</b>	<b>2,50,257.36</b>

## Notes to Financial Statements as at and for the year ended 31st March 2023

### 2.46 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value and parallelly ensuring the regulations and objectives of IBC Act 2016 are complied with. The Company manages its capital structure and makes adjustments in line with changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares or sale assets to reduce debt. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing long term loans and borrowings less cash and cash equivalents.

The capital structure of The Company consists of Total Equity of ₹ (99,762.85) Lakhs (Previous Year ₹ (76,635.63) lakhs) (Refer Note No. 2.11 & 2.12).

#### GEARING RATIO:

The Company has long term Debt of ₹ 2,11,510.38 Lakhs (Previous Year ₹ 2,11,464.89 Lakhs).

₹ in lakhs

Particulars	Ref Note No.	As at 31st March 2023	As at 31st March 2022
Long Term Debt		1,92,569.86	2,11,464.89
Less : Cash & Bank Balances		22,491.18	17,061.92
<b>Net Long Term Debt (A)</b>		<b>1,70,078.68</b>	<b>1,94,402.97</b>
Total Equity (B)		(99,762.85)	(76,635.63)
Net Long Term Debt to Total Equity Ratio [ $C=\{A/(A+B)\}$ ]		2.42	1.65

### 2.47 ANALYTICAL RATIOS

Ratios	Numerator	Denominator	2022-2023	2021-2022	Change in %	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	0.289	0.314	(8.05%)	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	(2.269)	(2.953)	(23.17%)	
Debt Services Coverage Ratio	Earning available for Debt Service	Debt Service	(33.204)	(0.759)	4277.41%	Due to losses and not recognizing of finance cost on borrowings post initiation of CIRP.
Return on Equity Ratio	Net profit after tax	Average Shareholder's Equity	0.066	0.582	(88.63%)	Due to losses and complete erosion of Net Worth.
Inventory Turnover Ratio	Total Sales	Average Inventory	5.773	4.756	21.40%	
Trade Receivables Turnover Ratio	Total Sales	Average Trade Receivable	7.587	6.005	26.34%	Due to increase in Sales and increase in realisations of Trade Receivables as compared to previous year.
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payable	4.660	5.391	(13.57%)	
Net Capital Turnover Ratio	Net Sales	Working Capital	(0.903)	(0.869)	3.94%	
Net Profit Ratio	Net Profit	Total Income	(0.094)	(0.164)	(42.54%)	Due to Liquidity & Losses.
Return on Capital Employed	Earning before Interest & Tax	Capital Employed	(0.232)	(0.190)	(9.89%)	
Return on Investment in Equity	Return on Investment	Average Investments	0.023	0.005	335.64%	There is no Quoted Investment in the Company and due to change in Fair Valuation of The CSE Limited.

## Notes to Financial Statements as at and for the year ended 31st March 2023

### OTHER INFORMATION

- 2.48** As per the IBC, the RP has received, collated, verified the claims submitted by the creditors of the Company till 3rd October 2022. The RP received claims amounting to ₹ 3,54,347 lakhs from Financial Creditors (including ₹ 20,838 lakhs from unsecured financial creditors) and after verification admitted a sum of ₹ 3,54,331 lakhs (including ₹ 20,838 lakhs from unsecured financial creditors) as claims of Financial creditors having books balance of ₹ 3,10,012 lakhs and remaining amount of ₹ 16 lakhs has been rejected. Further, RP has received claims from the various classes of operational/ other creditors totalling to ₹ 29,551 lakhs out of which ₹ 5,327 lakhs has been rejected and claims of ₹ 24,224 lakhs has been admitted against the company as per the provisions of IBC 2016. Pending reconciliation of the claims 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 Financial Statement as on 31st March 2023.
- 2.49** 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 21st October 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.
- 2.50** As a part of the CIRP, the RP had appointed BDO India LLP for conducting transaction audit as per section 43, 45, 50 and 66 of the Code. The RP has filed an application under section 66 of the code with the Hon'ble NCLT, Kolkata bench and the matter is pending for decision till this date.
- 2.51** 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.
- 2.52** 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 March 25, 2022. RP received various Expression of Interests from different applicants and he received resolution plans on July 25, 2022. On October 28, 2022, the resolution plan submitted by AGI Greenpac Limited (AGI) has been approved by the CoC and accordingly, the RP has filed the plan for approval with the Hon'ble NCLT, Kolkata bench on November 05, 2022 which is pending as on date. However, some related applications has been filed with Hon'ble NCLAT, New Delhi, the outcome of same is pending till date.
- 2.53** Certain debit and credit balances including borrowings and interest thereupon, clearing account (other than inter-unit balances), trade and other payables, advance from customers, loans and advances, other current assets and certain other liabilities are subject to reconciliation with individual details and balances and confirmation thereof.
- 2.54** There are indicators present in the company both internal and external for impairment testing. During the current year, company has appointed an external agency for impairment and based on the outcome of the report of the external agency, there are no adjustment on account of impairment has been considered necessary.

## Notes to Financial Statements as at and for the year ended 31st March 2023

**2.55** Details of balance outstanding with struck off companies as at 31st March 2023 & 31st March 2022:

₹ in Lakhs

Name of the Struck off Companies	Relationship with Companies	Nature of transaction with Companies	Balance Outstanding as at 31st March 2023	Balance Outstanding as at 31st March 2022
RBC BEARINGS Private Limited	Vendor	Payable	(0.18)	(3.43)
WANS ENVIRO TECH(P) Limited	Vendor	Payable	(0.09)	(0.09)
H2o Engineers India Private Limited	Vendor	Payable	(0.05)	(0.05)
ASSOCIATED BLENDERS Private Limited	Customer	Receivable	0.00	(14.25)
HALDIRAM SNACKS (P) Limited	Customer	Receivable	0.12	6.78
INTERNATIONAL DISTILLERS Limited.	Customer	Payable	(0.03)	-
QUALITY BEVERAGES Limited	Customer	Receivable	42.67	40.52
TIGERS BREWERY INDUSTRIES Private Limited	Customer	Receivable	119.69	-

- 2.56** None of the Loans or Advances in the nature of loans as at 31st March, 2023 and as at 31st March, 2022 are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.
- 2.57** All the Registration of Charges or Satisfaction of Charges required to be filed during the year with the Registrar of Companies are completed within the statutory period.
- 2.58** The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 2.59** The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 2.60** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 2.61** No transactions have been surrendered or disclosed, previously unrecorded in the books of accounts, as income during the year in the tax assessments under the Income Tax Act, 1961.
- 2.62** The Company has not traded or invested in Crypto Currency or Virtual Currency during the current financial year.

## Notes to Financial Statements as at and for the year ended 31st March 2023

**2.63** For Working Capital facilities the Company has submitted Stock and Debtor Statement to banks on monthly basis. The difference between the value as per books and as per the monthly statement submitted on quarter end with banks are given below:

Quarter Ending	Value as per books of accounts	Value as per Statements submitted with banks	Difference *
30th June 2022	68,088.85	64,607.00	3,481.85
30th September 2022	66,861.50	65,146.00	1,715.50
31st December 2022	69,516.50	69,689.00	(172.50)
31st March 2023	70,738.38	70,869.00	(130.62)
30th June 2021	77,566.26	74,135.00	3,431.26
30th September 2021	82,365.00	80,023.00	2,342.00
31st December 2021	77,273.24	76,054.00	1,219.24
31st March 2022	75,540.13	73,465.00	2,075.13

₹ in lakhs

### \* Reason for Difference

Differences are primarily due to the variation in valuation methodology of inventory. In Stock Statement we consider Cost of Production of previous quarter whereas in books such inventories are carried at lower of cost or Net Realisable Value (NRV) as per the accounting policy of the Company. The Company has not been using any drawing power under its working capital limit for current as well as in the previous few years and hence the impact of the same is not there.

**2.64** The company has not been declared wilful defaulter by any bank or financial Institution or other lender.

**2.65** Figures of the previous periods have been regrouped/ re-arranged wherever considered necessary to make them comparable with those of current year's figures.

Accompanying notes 1 to 2.65 are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board

**For Lodha & Co**

Chartered Accountants  
FRN : 301051E

**For J K V S & CO**

Chartered Accountants  
FRN : 318086E

**Bimal Kumar Garodia**

President and Chief  
Financial Officer  
Place : Kolkata

**Ratna Kumar Daga**

Independent Director  
DIN: 00227746  
Place : Kolkata

**Mukul Somany**

Director  
DIN: 00124625  
Place : Kolkata

**Sanjay Somany**

Director  
DIN: 00124538  
Place : Rishikesh

Powers of the Board are suspended from the Insolvency Commencement Date

**Indranil Choudhury**

Partner  
Membership No. 058940  
Place : Kolkata  
Date : 23rd May 2023

**Ajay Kumar**

Partner  
Membership No. 068756  
Place : Kolkata

**Girish Siriram Juneja**

Resolution Professional  
Taken on records  
Place : Kolkata





## Corporate Information (as on 8th August 2023)

### RESOLUTION PROFESSIONAL

Mr. Girish Siriram Juneja  
(IBBI/IPA-001/IP-P00999/2017-2018/11646)

### DIRECTORS (SUSPENDED)

Sanjay Somany (DIN: 00124538)  
Mukul Somany (DIN: 00124625)

### DIRECTORS

Ratna Kumar Daga - Independent Director (DIN: 00227746)  
Rita Bhimani - Independent Director (DIN: 07106069)  
Amal Chandra Saha - Independent Director (DIN: 00443348)

### PRESIDENT & CHIEF FINANCIAL OFFICER

Bimal Kumar Garodia

### COMPANY SECRETARY & COMPLIANCE OFFICER

Pritha Bose

### AUDITORS

Lodha & Co.  
Chartered Accountants  
Kolkata

JKVS & Co.  
Chartered Accountants  
Kolkata

### REGISTERED OFFICE

2, Red Cross Place  
Kolkata – 700 001  
Phone : (033) 2254-3100  
Fax : (033) 2254-3130  
Website : www.hngil.com  
E-mail : cosec@hngil.com

### CORPORATE IDENTITY NUMBER

L26109WB1946PLC013294

### REGISTRAR & TRANSFER AGENTS

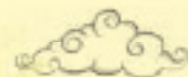
Maheshwari Datamatics Pvt. Ltd.  
23, R. N. Mukherjee Road, 5th Floor  
Kolkata - 700 001  
Phone : (033) 2243-5029  
Fax: (033) 2248-4747  
Email : mdpldc@yahoo.com

### WORKS

- Rishra • Bahadurgarh • Rishikesh • Puducherry
- Nashik • Neemrana • Naidupeta

### BANKS / FINANCIAL INSTITUTIONS

Bank of Baroda  
Canara Bank  
DBS Bank Limited  
Export Import Bank of India  
Edelweiss Asset Reconstruction Company Limited  
Goldman Sachs International Bank Life Insurance  
Corporation of India  
Exclusive Capital Limited  
State Bank of India



**HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED**

**CIN: L26109WB1946PLC013294**

**2, Red Cross Place, Kolkata - 700 001**

**Phone: (033) 2254 3100, Fax: (033) 2254 3130**

**Email : [cosec@hngil.com](mailto:cosec@hngil.com)**

**Website : [www.hngil.com](http://www.hngil.com)**



## HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

Registered Office: 2, Red Cross Place, Kolkata - 700 001

CIN - L26109WB1946PLC013294

Website: [www.hngil.com](http://www.hngil.com), Email: [coscec@hngil.com](mailto:coscec@hngil.com), Tel: (033) 2254 3100, Fax: (033) 2254 3130

### NOTICE OF THE 77<sup>TH</sup> ANNUAL GENERAL MEETING

**Notice** is hereby given that the 77<sup>th</sup> Annual General Meeting (AGM) of the members of Hindusthan National Glass & Industries Limited will be held on **Tuesday, 12<sup>th</sup> September 2023 at 11.30 A.M. IST through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")** to transact the following businesses:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Mukul Somany (DIN: 00124625), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Audit Committee, M/s. JKVS & Co., Chartered Accountants (Firm Registration no. 318086E), be and is hereby appointed as Joint Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 82nd Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the RP & Directors and the Statutory Auditors of the Company."

**For Hindusthan National Glass & Industries Limited**  
(Company undergoing Corporate Insolvency Resolution Process)

Sd/-

**(Pritha Bose)**

Company Secretary

ACS -47762

Place: Kolkata

Date: 08.08.2023

**Taken on record by**  
**Girish Siriram Juneja**

Resolution Professional for Hindusthan National Glass & Industries Limited

Reg No: IBBI/IPA-001/IP-P00999/2017-2018/11646

#### NOTES:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022, Circular No. 10/2022 dated December 28, 2022 respectively, ("the MCA Circulars") read with the Securities and Exchange Board of India ("SEBI") Circular Nos. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/ CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023 ("the SEBI Circulars"), physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the 77<sup>th</sup> AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the 77<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 77<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the 77<sup>th</sup> AGM will be provided by NSDL.

The remote e-Voting period will commence on Saturday, 9<sup>th</sup> September, 2023 (9:00 A.M. IST) and will end on Monday, 11<sup>th</sup> September, 2023 (5:00 P.M. IST). During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date, i.e., Tuesday, 5<sup>th</sup> September, 2023 may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

Only those Members who are present in the Meeting through VC or OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting and accordingly, their presence shall also be counted for the purpose of quorum under Section 103 of the Act. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, 5<sup>th</sup> September, 2023 being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date, i.e., Tuesday, 5<sup>th</sup> September, 2023 should treat this Notice for information purpose only.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.hngil.com](http://www.hngil.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

The RP & Directors have appointed Mrs. Kumkum Rathi of M/s. M. Rathi & Co., Company Secretaries (Membership No.: FCS-6016 and C.P. No. 6209), as the Scrutinizer for scrutinizing the process of remote e-Voting and also e-Voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in presence of at least two witnesses not in employment of the Company and submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than 2 (Two) working days after the conclusion of the Meeting. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or by any other director/person duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website ([www.hngil.com](http://www.hngil.com)) and on the e-Voting website of NSDL ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)) immediately after the results are declared and shall simultaneously be communicated to the Stock Exchanges where the equity shares of the Company are listed. The results declared along with the said Report shall also be displayed at the Registered Office of the Company. Subject to the receipt of requisite number of votes, the businesses mentioned in the Notice / the resolutions forming part of the Notice shall be deemed to be passed on the date of the AGM, i.e., Tuesday, 12<sup>th</sup> September, 2023.

6. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed in Annexure-1.

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to mrathico@gmail.com with a copy marked to evoting@nsdl.co.in
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of Listed Companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Maheshwari Datamatics Private Limited ("MDPL") for assistance in this regard at our RTA's email id mdpldc@yahoo.com.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with MDPL in case the shares are held by them in physical form. An email id registration form is enclosed to this notice.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MDPL, in case the shares are held by them in physical form.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13, enclosed to this notice. Members are requested to submit the said details to their DP, in case the shares are held by them in electronic form and to MDPL, in case the shares are held in physical form at its email id i.e. mdpldc@yahoo.com.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or MDPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder, in the order of names as per the Register of Members of the Company will be entitled to vote at 77<sup>th</sup> AGM.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular Notice of the 77<sup>th</sup> AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members, whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.hngil.com](http://www.hngil.com), websites of the Stock Exchanges. i.e. BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange at [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com) and [www.cse-india.com](http://www.cse-india.com) respectively, and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. <https://www.evoting.nsd.com>
15. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.
16. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 6<sup>th</sup> September, 2023 to Tuesday, 12<sup>th</sup> September, 2023 (both days inclusive) for the purpose of 77<sup>th</sup> AGM.
17. Pursuant to the amendments made to Section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017, effective from 7<sup>th</sup> May 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors, has been withdrawn from the Statute. In view of the above, ratification by the Members for continuance of their appointments at this AGM are not being sought.
18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [cosec@hngil.com](mailto:cosec@hngil.com).
19. Pursuant to Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, including any till date amendments, the Company has uploaded the details of unpaid and unclaimed amounts lying with it on the Ministry of Corporate Affairs website.

The Company has transferred the unpaid dividend amount for FY 2012-13 to the IEPF account. However, the linking of the amount transferred by the Bank to the MCA/IEPF account is pending due to some technical glitch. The Company is continuously communicating with the Bank/ MCA and taking steps to resolve the issue. Equity shares in respect of which, the dividend for the year 2012-13 remained unclaimed for seven consecutive years has been transferred



to the IEPF Authority, in compliance with Section 124 of the Companies Act, 2013, read with rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2017, after giving individual notices to concerned Shareholders and advertisements in newspapers.

20. Considering the Meeting would be held through VC/OAVM, the route map for the venue is not annexed to the Notice. The deemed venue for the AGM shall be the Registered office of the Company.

21. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Saturday, 9<sup>th</sup> September, 2023 at 9.00 A.M. and ends on Monday, 11<sup>th</sup> September, 2023 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 5<sup>th</sup> September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 5<sup>th</sup> September, 2023.

How do I vote electronically using NSDL e-Voting system?


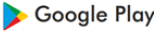


The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>   </div> <div style="display: flex; justify-content: center; gap: 20px;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Provider</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** : Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Login to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.



4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [mrathico@gmail.com](mailto:mrathico@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cosec@hngil.com](mailto:cosec@hngil.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cosec@hngil.com](mailto:cosec@hngil.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the

User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Shareholders are encouraged to join the Meeting through Laptops for better experience.
3. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cosec@hngil.com. The same will be replied by the company suitably.
7. Shareholders who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number by sending email to cosec@hngil.com from their registered email address on or before Friday, 7th September, 2023 by 5:00 p.m. IST. Only those Shareholders who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. The Company reserves the right to restrict the number of questions and number of speakers as appropriate for smooth conduct of the AGM.

**ANNEXURE TO THE NOTICE**  
**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No 3:**

The RP and the Directors, on the recommendation of the Audit Committee, seeks approval of the Shareholders for the re-appointment of M/s. JKVS & Co, Chartered Accountants, as the Joint Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 82<sup>nd</sup> AGM. Upon their appointment, M/s JKVS & Co. will act as the Joint Statutory Auditors of the Company along with M/s Lodha & Co.

The Audit Committee having considered various parameters like capability to serve a large organisation with multiple manufacturing locations as that of the Company; audit experience; the audit team; market standing of the firm; clientele served; technical knowledge etc. have recommended the appointment of M/s JKVS & Co, to the RP and the Directors of the Company, which the Board has accepted and approved, subject to the approval of the Shareholders at a remuneration as may be mutually agreed between the RP and the Directors and the Statutory Auditors.

M/s. JKVS & Co, Firm Registration No. 318086E, ('The Audit Firm'), Chartered Accountants, is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 1987. The firm has been offering its clientele wide Spectrum of services Including Audit and Assurance, Risk Advisory, consulting, taxation, Corporate finance and management services.

M/s JKVS & Co. have consented their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the notice.

The RP and the Directors recommends the resolution at item no. 3 of the notice for approval by the shareholders.

**Annexure -1**

**Disclosure relating to Directors pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 on General Meetings are :**

Particulars	Shri Mukul Somany
DIN:	00124625
Date of Birth	15-10-1965
Date of first appointment on the Board	23-07-1992
Expertise in specific functional areas	Shri Mukul Somany has more than 26 years of experience in the glass Industry.
Qualification	Commerce Graduate
Directorship held in other public companies (excluding Foreign Companies and Section 8 Companies)	Spotlight Vanijya Limited. Mould Equipment Limited. A
Memberships/Chairmanships of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil
No of shares held in the Company	
Relationship between directors inter-se	Related to Shri Sanjay Somany.

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ORDINARY RESOLUTION**

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report, which is a part of this Annual Report.

**For Hindusthan National Glass & Industries Limited**

(Company undergoing Corporate Insolvency Resolution Process)

Sd/-

**(Pritha Bose)**

Company Secretary

ACS -47762

Place: Kolkata

Date: 08.08.2023

**Taken on record by**

**Girish Siriram Juneja**

Resolution Professional for Hindusthan National Glass & Industries Limited

Reg No: IBBI/IPA-001/IP-P00999/2017-2018/11646



# HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

Registered Office: 2, Red Cross Place, Kolkata - 700 001

CIN - L26109WB1946PLC013294

Website: [www.hngil.com](http://www.hngil.com), Email: [cosec@hngil.com](mailto:cosec@hngil.com), Tel: (033) 2254 3100, Fax: (033) 2254 3130

## E-MAIL REGISTRATION-CUM-CONSENT FORM

To,  
The Company Secretary,  
**Hindusthan National Glass & Industries Limited,**  
2, Red Cross Place, Kolkata- 700 001

I/We the members of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the below mentioned e-mail address / mobile number for sending communication through e-mail/ mobile.

Folio No:..... DP-ID:..... Client ID: .....

Name of the Registered Holder (1st):.....

Name of the joint holder(s) (2nd): .....(3rd):.....

Registered Address: .....

.....Pin: .....

Mobile Nos. (to be registered): .....

Email id (to be registered):.....

### **Signature of the Shareholder(s)\***

\* Signature of all the shareholders is required in case of joint holding.

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# HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

Registered Office: 2, Red Cross Place, Kolkata - 700 001

CIN - L26109WB1946PLC013294

Website: [www.hngil.com](http://www.hngil.com), Email: [cosec@hngil.com](mailto:cosec@hngil.com), Tel: (033) 2254 3100, Fax: (033) 2254 3130

## FORM NO. SH-13 NOMINATION FORM

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,

The Company Secretary,

**Hindusthan National Glass & Industries Limited,**

2, Red Cross Place, Kolkata- 700 001

I/ We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest all the rights in respect of such securities in the event of my/our death.

### 1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made) -

Nature of securities:.....

Folio No. .... No. of Securities:.....

Certificate No. ....Distinctive No.:.....

### 2. PARTICULARS OF NOMINEE/S —

- (a) Name : \_\_\_\_\_
- (b) Date of Birth : \_\_\_\_\_
- (c) Father's/Mother's/Spouse's name : \_\_\_\_\_
- (d) Occupation : \_\_\_\_\_
- (e) Nationality : \_\_\_\_\_
- (f) Address : \_\_\_\_\_
- (g) E-mail id : \_\_\_\_\_
- (h) Relationship with the security holder : \_\_\_\_\_

### 3. IN CASE NOMINEE IS A MINOR –

- (a) Date of birth : \_\_\_\_\_
- (b) Date of attaining majority : \_\_\_\_\_
- (c) Name of guardian : \_\_\_\_\_
- (d) Address of guardian : \_\_\_\_\_
- Name : \_\_\_\_\_
- Address : \_\_\_\_\_
- Name of the Security Holder(s) : \_\_\_\_\_
- Signatures : \_\_\_\_\_
- Witness with name and address : \_\_\_\_\_

### **Instructions:**

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly, all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the members.
14. For shares held in dematerialised mode nomination is required to be led with the Depository Participant in their prescribed form.