



HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.

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

Tel. : 2254 3100, Fax : (91) (33) 2254 3130

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

CIN - L26109WB1946PLC013294



SEC/SE/029

August 20, 2019

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 Annual Report for F. Y. 2018-2019 and Notice of 73rd Annual General Meeting, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the company for financial year 2018-2019 and notice of 73rd Annual General Meeting of the Company, which is scheduled to be held on Wednesday, 18th September, 2019 at 10.00 a.m. at CII-Suresh Neotia Centre of Excellence for Leadership, DC-36, Sector - I, Salt Lake City, Kolkata - 700 064. Aforesaid Annual Report and Notice is also available on our company's website www.hngil.com.

This is for your information and record.

Yours faithfully

For **Hindusthan National Glass & Industries Limited**

(Lalit Lohia)
Company Secretary

Encl: as above.



ANNUAL REPORT 2018-19



Hygienic • Eco-Friendly • Infinitely-Recyclable • Inert • Impermeable

GLASS CALLED NATURE

Hygienic • Eco-Friendly • Infinitely-Recyclable • Inert • Impermeable

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

CONTENTS

Statutory Reports

Directors' Profile	1
Management Discussion and Analysis	3
Board's Report	8
Corporate Governance Report	30

Financial Section

Independent Auditors' Report	49
Balance Sheet	60
Statement of Profit & Loss	61
Statement of Changes in Equity	62
Statement of Cash Flow	63
Notes to Financial Statements	65

Directors' Profile

- **Shri Sanjay Somany (DIN: 00124538)**

Shri Sanjay Somany, aged 61 years, is the Chairman & Managing Director of the Company. At the 72nd Annual General Meeting of the Company held on 18th September, 2018, majority of shareholders approved his appointment on honorary basis for a period of 3 years w.e.f 1st April, 2018 to 31st March, 2021 till the default is rectified by 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. He presently oversees the operations and management of the Company. A Commerce Graduate, Shri Somany, also holds a diploma in diesel engineering. Previously, he has also held a host 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 31.03.2019)

- Spotlight Vanijya Limited ● AMCL Machinery Limited
- Mould Equipment Limited ● Khazana Marketing Private Limited ● Brabourne Commerce Private Limited
- Spotme Tracon Private Limited ● The All India Glass Manufacturers' Federation ● Niket Advisory & Trading Company LLP (Designated Partner).

- **Shri Mukul Somany (DIN: 00124625)**

Shri Mukul Somany, aged 54 years, is the Vice-Chairman & Managing Director of the Company. At the 72nd Annual General Meeting of the Company held on 18th September, 2018, majority of shareholders approved his appointment on honorary basis for a period of 3 years w.e.f 1st April, 2018 to 31st March, 2021 till the default is rectified by the Company. Being a second-generation entrepreneur, he holds more than 27 years of experience in the glass industry. At HNG, he has been the driving force behind Company's acquisitions, marketing and branding strategies over the years. He also oversees the administration function in the Company. 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 The 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 31.03.2019)

- Spotlight Vanijya Limited ● AMCL Machinery Limited
- Mould Equipment Limited ● Rungamattee Trexim Private Limited ● Saurav Contractors Private Limited
- Brabourne Commerce Private Limited ● The All India Glass Manufacturers' Federation ● Indian Chamber of Commerce, Calcutta. ● Niket Advisory & Trading Company LLP (Designated Partner).

- **Shri Dipankar Chatterji (DIN: 00031256)**

Shri Dipankar Chatterji, aged 71 years, is an Independent Director of the Company. At the last Extra Ordinary General Meeting of the Company, held on 20th March, 2019, majority of shareholders approved his re-appointment by special resolution for another term of 5 years w.e.f 1st April, 2019 to 31st March, 2024. He is a Chartered Accountant and the senior partner of L. B. Jha & Co., Chartered Accountants. He is also former Chairman of the Confederation of Indian Industry (CII- Eastern Region) and has been a Member of the National Council of CII. He was Member of the Central Council of the Institute of Chartered Accountants of India and the Chairman of the Audit Practices Committee of the ICAI. He was appointed as member of the Padmanabhan Committee (set up to review Reserve Bank of India's supervision over banks) and the committee set up to advice on NABARD's supervisory role over RRBs and Co-operative Banks and also on other committees and task forces. He was the Former President of Indo American Chamber of Commerce (Eastern Region). At HNG, Shri Chatterji is a member of the Audit Committee, Treasury Management Committee and Nomination & Remuneration Committee.

Directorships held in Other Companies (As on 31.03.2019)

- TRF Limited ● West Bengal Industrial Development Corporation Limited ● Peerless Financial Services Limited
- Neotia Healthcare Initiative Ltd ● Bengal Peerless Housing Development Company Ltd ● The Peerless General Finance & Investment Company Ltd ● Delphi Management Services Private Limited ● Obeetee Textiles Private Limited
- Magnum Counsellors Pvt Ltd ● Jagaran Microfin Pvt. Ltd.

- **Shri Ratna Kumar Daga (DIN: 00227746)**

Shri Ratna Kumar Daga, aged 79 years, is an Independent Director of the Company. At the last Extra Ordinary General Meeting of the Company held on 20th March, 2019, majority of shareholders approved his re-appointment by special resolution for another term of 5 years w.e.f 1st April, 2019 to 31st March, 2024. 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

Directors' Profile

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 31.03.2019)

- Somany Ceramics Limited
 - S.R. Continental Limited
 - TruTools (India) Private Limited
 - LSI Financial Services Private Limited
 - Shankar Estates Private Limited
 - Goenka Leasing & Finance Private Limited
 - Onkar Plaza Private Limited
 - Indo Financiers Private Limited
 - N. T. 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.

Smt. Rita Bhimani 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 anchor person for industry meets and book releases and a speaker at professional conferences. She is a visiting faculty member at the Pailan School of International Studies, where she teaches a 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. And there was one more award this year: In 2019, the Association of Shipping Interests in Calcutta, conferred on Rita Bhimani, the Women Achiever Award for "her 50 years of invaluable contribution to the Corporate World." At HNG, she is a member of the Corporate Social Responsibility Committee and Nomination and Remuneration Committee.

Directorships held in Other Companies (As on 31.03.2019)

- Asian Hotels (East) Limited.
- **Shri Amal Chandra Saha (DIN: 00443348)**

Shri Amal Chandra Saha was born on 2nd April, 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 3½ (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 Shri Subhas Chandra, Chairman of ZEE TV Group of Companies for 6 years, from middle of 1999 to middle of 2005.

He has been appointed as an Additional Non – Executive Independent Director of the Company w.e.f 26th April, 2019 till the date of ensuing Annual General Meeting, subject to shareholders' approval by special resolution at ensuing Annual General Meeting.

Directorships held in Other Companies (As on 26.04.2019)

- LSI Financial Services Private Limited.



Management Discussion and Analysis Report

Container Glass Industry – Present & Future

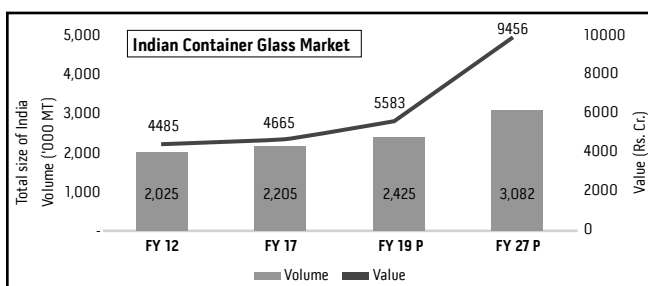
The global container glass market was valued at \$55+ billion in 2018 and is projected to reach \$71 billion by 2022, at a CAGR of 5.0%. The growing consumption from end-user industries — especially Alcoholic Beverages (including Beer), which account for more than 60% of demand, followed by Food and Pharmaceutical — will drive the market. Asia-Pacific (APAC) excluding the Japan (APEJ) will remain the forefront of market expansion during the projected period. This APEJ region will show higher participation of companies considering competitive advantage of manufacturing glass bottles in low wage countries like India and China.

Asia-Pacific has the largest demand market followed by Europe and America. In terms of production too, APAC is the major producer and exporter of glass containers followed by Europe. North America is gradually increasing its reliance on imports from China and Mexico, due to the cost advantage and limited capacity additions over the last couple of years.

In 2019, Container Glass prices are expected to increase, due to anticipated shortages in Europe caused by the high demand and lack of new investments, in addition to a possible increase in RM Cost. This demand surge can be majorly attributed to the large-scale sporting events globally. Moreover, the longer-term outcome of the U.S.-China trade war is still unclear and with China being a major player in the container glass industry, there will be implications once the situation becomes clearer. India has also shown attractive growth in 2018 and same trend is likely to continue in 2019 also. 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. Various consumer surveys have also indicated container glass to be the most preferred option, as it has a long shelf life and doesn't affect the taste of a product.

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

Indian Container Glass Industry



Container Glass Market is 5600 Crores and same is expected to grow at 8% CAGR to 9456 Crores by FY 27. Current running capacities are in tune of 24.25 Lacs MT and it is likely to grow at 3.5% CAGR up to FY 27. All the players are likely to take cautious approach towards capacity expansion, due to bitter experience in last business cycle. Beer segment demand has revived back and likely to continue in future also. IMFL segment likely to grow at slower pace, due to Volume effect. Capacity Utilization and Profitability of the Container Glass players are likely to improve in coming times, however, lot is dependent upon crude oil prices and RM cost increase.

Management Discussion and Analysis Report

New Opportunity- Restrictions on Plastic Bottle/Alternate Packaging

There has been an increase in awareness about the hazards of using alternate packing like PET/Plastic bottles among the public, as well as among the government institutions. In Maharashtra, there is ban on all plastic bottles below 200 ml for packaging of water and additional charges are imposed under Extended Producer Responsibility, to take back all plastic bottles, post usage for recycling purpose. In Kerala, state government has decided to discontinue sales of liquor in plastic bottles in a phased manner and to start with, it has been proposed to use glass bottles for 25% of all IMFL sales in the state. In UP, Government has mandated the usage of about 5% of glass for packaging of all liquor. Tamil Nadu is also considering banning plastic bottles. The gradual shift of liquor sales from PET to glass bottles in other states are also under consideration.

Such steps will bolster Indian glass bottle market in coming days. Many companies in India have started indicating the willingness to shift from alternate packaging to glass. Pepsi launched non-returnable glass bottles for its regular fast moving products; Parle also launched 180 ml Frooti in non-returnable glass bottles.

Threat - Alcohol Prohibition

Alcohol prohibition in high liquor consuming states in India is unlikely to sustain in long term. Except Gujarat State, it has not lasted more than a few years in any other state. It is expected that this trend will continue as alcohol contributes 25-40% of the State Government revenues. In case of any directives from the government to control alcohol consumption, prohibition will be partial or in states, where volume contribution is lower.

Challenges

1. Sustaining the Container Glass Business Profitability - Crude oil price and Soda Ash prices have upward trajectory and Rupee falling against Dollar – Possibility of Passing on Cost increase to customers.
2. Threat from Alternate Packaging.

Sectoral Analysis

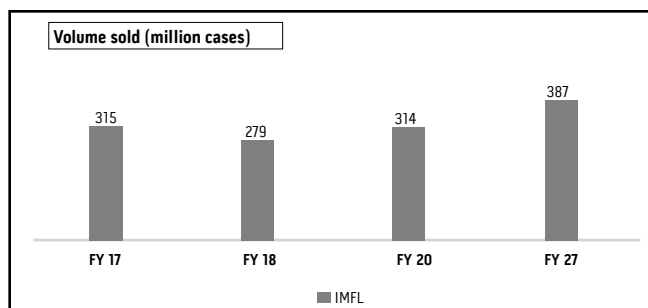
Liquor

Liquor segment has witnessed a growth of 4% in FY 18-19 and same growth trend is expected to continue in coming years. Alcohol consumption in India has doubled in the last 25 years. Focus is going to be more on premium segment apart from increased penetration of routine category to increase per capita consumption in India.

In last fiscal, Liquor Bottle sales remained flat on account of multiple price increase, increased reuse of Bottles and more focus on premium segment. Segmental capacity constraint at Container Glass Manufacturer end, also added to the lower lifting of Liquor bottles. Manufactures opted to dedicate capacity to Beer segment in place of Liquor, which helped them to increase their total output and improve profitability.

However, Pernod reported 24 per cent growth in India last quarter, with its imported Scotch brands leading the way. Rival Diageo reported 12 per cent revenue growth, largely driven by such prestige brands as Johnnie Walker whisky. India's growing thirst for high end liquor goes well beyond the Mumbai glitterati. Diageo says even tipplers of the local moonshine are skipping mid-tier foreign alcohol and jumping right into premium spirits.

After years of muted growth, foreign distillers are seeing sales rebound as the industry recovers from 2017 ban on some liquor sales



that has since eased and a currency ban in 2016 that aimed to crack down on the underground economy. Sale of Diageo's "prestige brands" and premium labels rose 17 per cent in the first half of the 2019 fiscal year compared with a 7 per cent climb for fiscal 2017.

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

- 1) Premium segments, which constitute 40% of IMFL volume uses 100% glass packaging. The share of this segment is

Management Discussion and Analysis Report

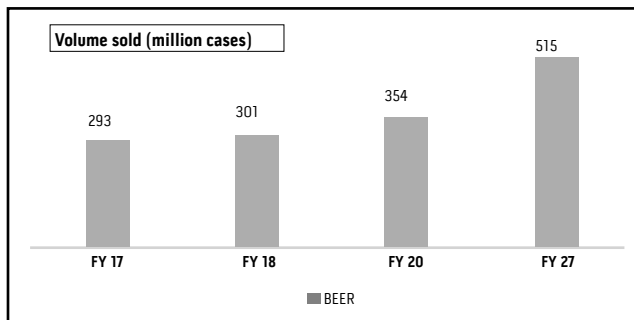
expected to grow to 67% of volume by 2027 and hence the overall share of glass packaging in IMFL will also increase.

- 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

Beer market has seen huge growth in last few years and same is likely to continue in next few years. It is expected that Beer market will grow @ CAGR of 10%.

There is demand surge in Beer segment, due to higher disposable income, rising preference of consumer for low alcohol beverage and increasing youth population. 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



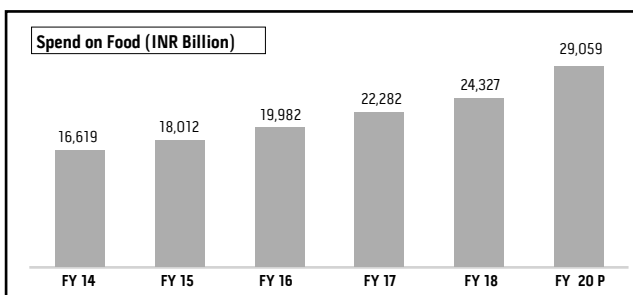
increased beer consumption. There is increase in premium modern trade and on premise outlets in metropolitan cities, which increased the range of product availability and improved the retail environment. Some state governments, for instance Maharashtra, Uttar Pradesh and Kerala, offered separate licenses for beer sale, further boosting growth prospects for the industry.

The beer industry has seen various merger and acquisition in India, which has consolidated the Market place and lead to increased Market competition during the last five years, which has led to deep market penetration. For instance, US based Molson Coors Brewing Company acquiring Mount Shivalik Breweries (Thunderbolt beer manufacturer), Ab InBev acquisition of SAB Miller in 2016. All Leading companies are increasing their manufacturing footprints, to ensure product availability to its customer and increase in their market share. Carlsberg and some distillers have put up capacities in East, to increase their penetration in this zone.

With emergence of Craft Beers, the growth in beer consumption has increased rapidly. B9 Beverages is leading player in this segment, with launch of Bira Craft Beer about four years ago and since then, the Company has managed about 5% share in key markets, despite the dominance of MNC players. B9 Beverages wants to expand geographic footprint, to cash in, on rising popularity of Craft Beer.

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



Spending on food in India is expected to grow at 10% CAGR with evolving consumer preferences, rising income & growing rural opportunity.

Rural FMCG market is growing at 16% CAGR and likely to reach 100 Billion USD in FY 25. Along with that, organised food retail, which is only 8% of Indian retail market, is expected to witness high growth to 24% by FY 20.

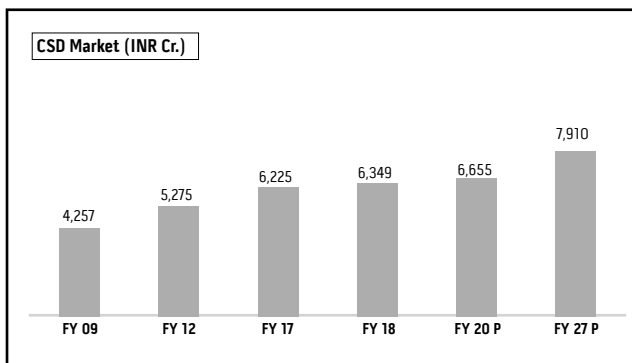
Value added dairy market is growing at 16% CAGR. Due to

Management Discussion and Analysis Report

rising affluent class, which has led to a heightened consumer interest in this segment. This shift has made the space attractive for new players, as profitability is 3 times of liquid milk segment.

Share of glass packaging in food segment is 10% and in dairy is 15%, which is not expected to change significantly in future, though it is the most preferred choice for premium milk shakes, yogurts and flavoured milk. Glass offtake in this segment has grown @10% in last fiscal and same is likely to continue in future. 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.

Soft Drinks



Carbonate Soft Drink (CSD) market is experiencing slowdown driven by availability of healthier alternatives and unfavourable policy decisions.

With growing cost pressure and ease of use, Coca Cola and Pepsi are shifting their containers from glass bottles to PET bottles. Share of glass packaging has fallen from 34% in FY 09 to 22% at present and is further expected to decrease.

Glass usage in CSD Business has witnessed a negative growth of 13%. This is continuation of its trend from 3-4 years and same is likely to continue.

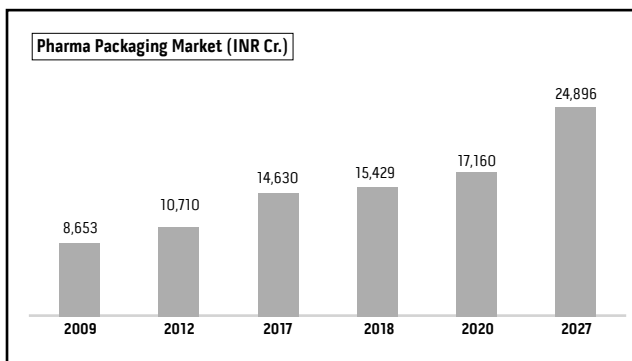
Pharmaceuticals

Indian pharmaceutical sector is estimated to account for 3.1 – 3.6% of the global pharmaceutical industry in value terms and 10% in volume terms. It is expected to grow to US\$100 billion by 2025.

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.

Indian pharma companies are capitalising on export opportunities in regulated and semi-regulated markets. In FY18, India exported pharmaceutical products worth US\$ 17.3 billion, with the number expected to reach US\$ 40 billion by 2020.

Pharma Packaging market is growing at 6-7% driven by growth in pharma industry and its need for bulk drugs, formulations 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 has come down from 34% in 2009 to 21% in 2018 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. DTAB has already proposed for similar ban on Plastic Container usage in some formulations. Final Government Order is still awaited.

Management Discussion and Analysis Report

Cosmetics

Indian Cosmetics market is expected to register 25% growth & likely to touch \$20 billion by 2025 from present \$ 6.5 billion. In comparison, the global cosmetics market is growing steadily at 4.3% CAGR and will reach \$ 450 billion by 2025. This means that by 2025, India will constitute 5% of the total global cosmetics market and become one of the top 5 global markets by revenue.

The 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 ayurvedic products. Principal areas that are expected to grow, include colour cosmetics, fragrances, specialised skin care and make-up cosmetics.

The Indian industry is growing rapidly at a rate of 13-18%, more than that of US or European markets. Body care is the largest category and growing at about 4% CAGR, while colour cosmetics was the fastest growing category, at 12%. The premium segment is expected to grow at 6.3% per annum.

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 detailed explanations therefor, including:

There has been significant changes in the Financial Ratios of the Company. The key Financial Ratio are as below:-

Particulars	F.Y 2018-19	F.Y 2017-18	Reason for Difference
(i) Debtors Turnover	15.83%	19.68%	-
(ii) Inventory Turnover	17.99%	26.90%	Due to reduced inventory
(iii) Interest Coverage Ratio	-6.06%	18.38%	Due to increased realisation percentage, revenue has improved the interest coverage ratio.
(iv) Current Ratio	62.64%	65.12%	-
(v) Debt Equity Ratio*	-	-	-
(vi) Operating Profit Margin (%)	-0.01%	-0.05%	Due to increased realisation and revenue
(vii) Net Profit Margin (%) or sector-specific equivalent ratios, as applicable.	-0.11%	-0.15%	Due to increased realisation and revenue
(viii) details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.	The Company's Net Worth as per the financials has fallen and is at negative ₹ 2,155 lacs as compared to the previous financial year being ₹ 14665 lacs.		Accrued losses till date

*Including Current Maturities of Long term Loans -0.90% for F.Y 2018-19 and 5.80% for F.Y 2019-20.

Excluding Current Maturities of Long term Loans -1.15% for F.Y 2018-19 and 6.53% for F.Y 2019-20.



Board'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 31st March, 2019.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Gross sales (including excise duty)	240,352	201,331
Profit before interest, depreciation and tax	23,839	11,464
Interest and finance charges	25,257	25,185
Profit/Loss before depreciation and tax	(1,417)	(13,721)
Depreciation	15,853	16,093
Exceptional Profit	9,517	-
Profit/Loss before tax & after exceptional profit	(17,270)	(29,815)
Profit/Loss for the year (Before Other Comprehensive Income)	(17,295)	(29,451)
Balance brought forward from previous year	(77,660)	(48,262)
Amount available for appropriation	(94,938)	(77,660)
Balance carried forward to the next year	(94,938)	(77,660)

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the financial year, at standalone level, your Company reported total income of ₹ 240,352 Lakhs in 2018-19 compared to ₹ 201,331 Lakhs in 2017-18. Your Company recorded an EBITDA of ₹ 23,839 Lakhs and a net loss of ₹ 17,295 Lakhs during the year under review. During the year, direct export turnover was ₹ 14,955 Lakhs compared to ₹ 11,065 Lakhs for F.Y 2017-18.

The financial position of the Company continues to be under severe stress. The situation further deteriorates, due to increase in Power & Fuel and Raw Material costs. Due to paucity of funds, your company could not be able to do any maintenance capex and also fails to meet its debt obligation. Your company is in discussion with the Lenders and is working on various resolution plan and hope to find out a solution acceptable to all stakeholders.

DIVIDEND & RESERVE

Your Directors do not recommend any dividend for the year ended 2018-19. Further, during the year under review, no amount was transferred to General Reserve.

ISSUE OF SHARES

The Paid Up Equity Share Capital as at 31st March, 2019 stood at ₹ 17,91,07,130 i.e 89553565 equity shares of ₹ 2/- each. The Company has not issued shares with differential voting rights, nor has granted any stock options or sweat equity. As on 31st March, 2019, none of the Directors of the Company, hold instruments convertible into equity shares of the Company.

Board's Report

Pursuant to the Regulation 78 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Equity Shares allotted to Promoters in F.Y 2017-18 will be locked in for a period of three years.

SUBSIDIARY COMPANY

As on 31st March, 2019, your Company does not have any subsidiary company.

The Company had a joint venture agreement with Trakya Cam Sanayi II AS in HNG Float Glass Limited. The Board of Directors of the Company at its meeting held on 8th June, 2018, approved termination of Joint Venture Agreement (including any other ancillary documents in this connection) dated 10th January, 2013, entered between Company, HNG Float Glass Limited and Trakya. Further, the Board at such meeting also approved, sale of its entire shareholding in HNG Float Glass Limited to Trankya Cam Sanayi II AS vide transaction documents.

TRUST SHARES

Pursuant to the amalgamation of Ace Glass Containers Limited with the Company, 21,41,448* shares and 13,68,872* shares having face value of ₹ 10 each (corresponding to 1,07,07,240 shares and 68,44,360 shares having face value of ₹ 2 each) were issued to HNG Trust and Ace Trust respectively. At present, HNG Trust & Ace Trust are holding 76,41,600 & 30,50,000 shares respectively. In terms of an undertaking given to the BSE Limited, the Company is required to make disclosures, pertaining to utilisation of proceeds of shares allotted to the said Trusts, until they are extinguished. Entire Shareholding of Ace Trust and 75,06,850 Shares of HNG Trust has been pledged in compliance of Corrective Action Plan (CAP), approved by the Joint Lenders Forum.

*The Company's shares were sub-divided from ₹ 10 per share to ₹ 2 per share w.e.f. 13th November, 2009.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Shri Sanjay Somany (DIN:- 00124538) is the Chairman of the Board of Directors w.e.f. 12th August, 2017.

During the year under review, the shareholders at 72nd Annual General Meeting of the Company held on 18th September, 2018, approved re-appointment of Shri Sanjay Somany (DIN:- 00124538) as the Chairman & Managing Director of the Company and Shri Mukul Somany (DIN:- 00124625) as the Vice Chairman & Managing Director of the Company, on a honorary basis, for a period of 3 years w.e.f. 1st April, 2018 to 31st March, 2021.

Shri Narayanaswami Sitaraman, an Independent Director left for heavenly abode on 24th April, 2018. The Board places on record, its sincere appreciation for the guidance and valuable services rendered by him, during his association with the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Mukul Somany (DIN:- 00124625), Vice Chairman and Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment. Your Directors recommend his re-appointment.

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. Role, responsibilities and duties of Independent Director are being uploaded on the Company's website at the link <http://www.hngil.com/report/TermsOfAppointmentOfIndependentDirector.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 Board of Directors expressed their satisfaction with the evaluation process.

Shri Ratna Kumar Daga (DIN: 00227746), Shri Dipankar Chatterji (DIN: 00031256) & Smt. Rita Bhimani (DIN: 07106069) are the Independent Directors of the Company. Shri Amal Chandra Saha (DIN: 00443348), aged 79 years, has been appointed as Additional Non – Executive Independent Director on the Board w.e.f. 26th April, 2019, subject to shareholders approval by Special Resolution at the ensuing Annual General Meeting. He will hold office upto ensuing Annual General Meeting and can be further re-appointed, subject to shareholders approval.

The tenure of Shri Ratna Kumar Daga (DIN:- 00227746) and Shri Dipanker Chatterji (DIN:- 00031256) as Independent Directors of

Board's Report

the Company, ended on 31st March, 2019. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Director. Accordingly, the Board of Directors of the Company at its meeting held on 13th February, 2019 (based on the recommendation of Nomination and Remuneration Committee vide its meeting dated 13th February, 2019) approved re-appointment of both Independent Directors for another tenure of 5 years w.e.f. 1st April, 2019 to 31st March, 2024, in accordance with the provisions of Section 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and regulation(s) 16(1)(b) and/or 17(1A) read with other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force). The shareholders of the Company also approved such re-appointments for aforesaid tenure by way of Special Resolution at Extra-Ordinary General Meeting of the Company held on 20th March, 2019.

Managerial Remuneration (Refund or Waiver)

In reply to our 2 (Two) applications for payment of remuneration exceeding the limits provided in Schedule V of Companies Act, 2013, pertaining to F-Y 2015-2016 to F-Y 2017-2018 for Executive Directors namely Shri Sanjay Somany, Chairman & Managing Director (DIN:- 00124538) and Shri Mukul Somany, Vice-Chairman & Managing Director (DIN:- 00124625), the Central Government after taking reference of the Notification No. S.O. 4823 (E) dated 12th September, 2018 has abated both of our pending applications vide its letter No. SRNG35818194/4/2017-CL-VII and SRNG35820075/4/2017-CL-VII, both dated Tuesday, 9th October, 2018. Through such letters, the Central Government have also given directions that, the onus of compliance with the provisions of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017, lies with the Company.

As per opinion received from Central Government, the Company will either in due course of time, may decide to go for the process of recovering the excess remuneration (excess over eligible limits mentioned in Schedule V of Companies Act, 2013) paid to Shri Sanjay Somany and Shri Mukul Somany for the period from 1st April, 2015 to 31st March, 2018 or the Company may go for shareholders' approval for waiver of aforesaid excess remuneration at ensuing 73rd Annual General Meeting, after obtaining Lenders approval.

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

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

Shri Ajay Kumar Rai, who was Company Secretary of the Company, since 1st January, 2013, resigned on 30th June, 2018. Shri Vikash Kumar Agarwal was appointed as Company Secretary w.e.f. 2nd July, 2018 and resigned on 20th December, 2018. Shri Lalit Lohia was appointed as Company Secretary w.e.f. 5th February, 2019 and is continuing till date.

Shri Bimal Kumar Garodia is acting as Chief Financial Officer of the Company since 26th April, 2008 and continuing till date.

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

SI No.	Name of Key Managerial Personnel	Designation
1	Shri Sanjay Somany	Chairman & Managing Director
2	Shri Mukul Somany	Vice Chairman & Managing Director
3	Shri Bimal Kumar Garodia	Chief Financial Officer
4	Shri Ajay Kumar Rai*	Company Secretary
	Shri Vikash Kumar Agarwal**	Company Secretary
	Shri Lalit Lohia***	Company Secretary

* Employed at such designation w.e.f 01.01.2013 to 30.06.2018.

** Employed at such designation w.e.f 02.07.2018 to 20.12.2018.

*** Employed at such designation w.e.f 05.02.2019 and continuing.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts for the year ended 31st March, 2019, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

Board's Report

- b) 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 31st March, 2019 and of the loss of the Company for the year ended on that date.
- c) 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.
- d) The Directors have prepared the annual accounts on a 'going concern basis'.
- e) 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
- f) 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, the Company has uploaded the details of unpaid and unclaimed amounts lying with it on the Ministry of Corporate Affairs website.

Equity shares in respect of which, the dividend for the year 2010-11 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 practising 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.**

Our Corporate Governance Report for the financial year 2019, along with its annexures forms part of this 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 Board, 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, except material related party transaction approved by shareholders at the Extra Ordinary General Meeting of the Company held on 20th March, 2019.

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: <http://www.hngil.com/report/policyonrelatedpartytransactions.pdf>.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee has been formulated and comprises of Shri Sanjay Somany, Shri Mukul 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 <http://www.hngil.com/report/corporatesocialresponsibilitypolicy.pdf>

DEBT MANAGEMENT

During the year under review, the continuous higher financial leverage and lower profitability plagued the financials of the Company. To reduce the leverage, Company was exploring various option including raising equity/enter into joint venture with some strategic Investor. In the process, Company has approached the lenders for compromise settlement pursuant to RBI's circular on Resolution of Stressed Assets – Revised Framework dated 12th February 2018.

Board's Report

Pursuant to the said guidelines, Lenders have agreed for one time settlement (OTS) and entered into an MoU with the Company for compromise settlement of their dues. The Company has paid 290 crores in Sept'18 as upfront payment to operationalize the OTS. The last date of payment for compromised amount was 25th November 2018, however, Company was unable to make the payment, due to the reasons beyond its control. Subsequently, lenders have extended the timeline upto 22nd February 2019, which also got elapsed. The lenders have further extended the timeline upto 31st March 2019 and also referred the Company to National Company Law Tribunal (NCLT), Kolkata Bench on 5th March, 2019.

In the meantime, Hon'ble Supreme Court has quashed the RBI's circular on Resolution of Stressed Assets – Revised Framework dated 12th February 2018 on 2nd April 2019. The Company is in discussion with the financial lenders to complete the OTS.

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 2018-19.

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 500 listed companies based on market capitalisation as on 31st March, 2019, constitution of Risk Management Committee is not required, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with till date amendments.

The Company has a formal Risk Management Policy. The Board of Directors from time to time, review the same.

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 Board of Directors 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

As per amendments to the Companies Act, 2013 and rules made therein and as per notification dated 7th May, 2018 by the Ministry of Corporate Affairs (MCA), ratification of the Statutory Auditor is no longer required to be passed by shareholders at the ensuing Annual General Meeting (AGM) and therefore, approval of the shareholders is not sought at the ensuing AGM for our joint Statutory Auditors namely:-

- a) M/s. Doshi Chatterjee Bagri & Co. LLP, Chartered Accountants (Firm Registration Number 325197E/E300020), who were appointed as the Statutory Auditors of the Company, to hold office from the conclusion of 71st Annual General Meeting until the conclusion of the 76th Annual General Meeting.
- b) M/s. JKVS & Co., (Formerly M/s. Jitendra K. Agarwal & Associates) Chartered Accountants (Firm Registration No. 318086E), who were appointed as the Joint Statutory Auditor of the Company, to hold office from the conclusion of 72nd Annual General Meeting.

Board's Report

Meeting until the conclusion of the 77th Annual General Meeting, along with the existing Statutory Auditors M/s. Doshi Chatterjee Bagri & Co. LLP, Chartered Accountants.

Auditors Report

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

- a) Attention is being drawn to para 1 of the Independent Auditors Report regarding Basis for Qualified Opinion. The clarification of the same is provided in Note No. 2.37.1 of the Accounts.
- b) Attention is being drawn to para 2 of the Independent Auditors Report regarding Basis for Qualified Opinion. The clarification of the same is provided in Note No. 2.33.A.1 of the Accounts.
- c) Attention is being drawn to para 3 of the Independent Auditors Report regarding Basis for Qualified Opinion. The clarification of the same is provided in Note No. 2.14.10 of the Accounts.
- d) Attention is being drawn to para 4 of the Independent Auditors Report regarding Basis for Qualified Opinion. The clarification of the same is provided in Note No. 2.39 of the Accounts. The Company and its promoters are in process regularising the situation. The Company has prepared its accounts on going concern basis.

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, Practising Company Secretary to conduct the Secretarial Audit for the financial year 2018-19. The Secretarial Audit for the financial year ended 31st March, 2019, along with self-explanatory qualifications/observations, is annexed herewith and marked as "Annexure II" to this report

DISCLOSURES

Audit Committee

The Audit Committee comprises of 2 (two) Independent Directors namely Shri Ratna Kumar Daga (Chairman and Independent Director) and Shri Dipankar Chatterji (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 Board during the financial year 2018-19.

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

Sl. No	Name	Designation
1	Shri Ratna Kumar Daga	Chairman
2	Shri Dipankar Chatterji	Member
3	Shri Narayanaswami Sitaraman (Ceased to be Member, pursuant to Death on 24th April, 2018)	Member
4	Shri Mukul Somany (Appointed as member w.e.f. 4th May, 2018)	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 behaviour, 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.

The Policy may be accessed on the Company's website at the link <http://www.hngil.com/report/whistleblowerpolicy.pdf>

Meetings of the Board

During the year under review, 11 (Eleven) meetings of the Board of Directors were held. 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.

Extract of Annual Return

As required under Section 134(3)(a) of Companies Act, 2013 read with till date amendments, the Annual Return (i.e. MGT-9) for Financial Year 2018-19 is put up on the Company's website and can be accessed at <http://hngil.com/downloads/mgt-9.pdf>

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 Standalone Financial Statements.

Board's Report

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

No significant or material order was passed by the Regulators or Courts or Tribunals, which impact the going concern status and Company's operations in future.

Material changes and commitments

Due to severe liquidity crunch, the Company is not able to meet its debt obligation.

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

Business Responsibility Reporting

The Business Responsibility Reporting, as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, is not applicable to your Company.

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. 2019-20 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.

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 2018-19, 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, programmes and employee engagements, focussing 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 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 also 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 Board

Sanjay Somany

Chairman & Managing Director
(DIN: 00124538)

Place : Kolkata
Date : 17th May, 2019

Annexure I to the Board'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 listing agreement in order to pay equitable remuneration to the Directors, KMP and employees of the Company and harmonise 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 agreements and/or regulations.

'Company' means Hindusthan National Glass & Industries Ltd.

'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

'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.

Annexure I to the Board's Report

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 Agreement, as may be amended from time to time, shall have the meaning respectively, assigned to them therein.

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 and 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 framework 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 framework 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 Board'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 Board'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 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 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 the Clause 49 of the Equity Listing Agreement with the Stock Exchanges.

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 may be 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.

Annexure I to the Board's Report

- 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.
 - 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 Clause 49 under the Listing Agreement.
- 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 the resources 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.

Annexure I to the Board's Report

- 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.

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 Agreement.
- 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 Board's Report

FORM No MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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 31st March, 2019 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 31st March, 2019 according to the provisions of:

- i) 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 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) Regulations, 2014; (Not applicable to the Company during the Audit Period).
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period).
 - 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 client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: (Not applicable to the Company during the Audit Period).
- vi) I have been informed that no other sector/ industry specific law is applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.

Annexure II to the Board's Report

- ii) The Listing Agreements entered into by the Company with The National Stock Exchange of India Ltd, The BSE Ltd. and The Calcutta Stock Exchange Ltd.
- iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company has withdrawn the resolution for issue of Compulsorily Convertible Preference Shares on Private Placement basis proposed for consideration through e-voting at the Extra-Ordinary General Meeting held on 20.03.2019. This is not in accordance with Standard 10 of SS 2 – Secretarial Standard on General Meetings.
2. In response of the Company's Application for approval of payment of remuneration to the Chairman and Managing Director and Vice Chairman and Managing Director, in earlier years, in excess of the limits specified in Section 197 of the Companies Act, 2013, the Central Government vide two letters dated 9th October, 2018, has informed the Company that as section 66 to 70 of the Companies (Amendment) Act, 2017 have come into force w.e.f 12th September, 2018, the onus of the compliance with the provisions of the Companies Act, 2013 as amended vide the Companies (Amendment) Act, 2017 lies with the Company. The Company is in process of taking necessary steps in the matter in accordance with the provisions of the Act.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors 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.

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 during the Audit period:

- (i) The lenders of the company have approved the corrective action plan. The terms and conditions of which are under implementation.
- (ii) State Bank of India has filed a petition under Rule 7 of the Insolvency and Bankruptcy Code 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 against the Company before the National Company Law Tribunal, Kolkata Bench. The matter is pending before the Bench.
- (iii) The Company has filed a suit against the consortium of lenders with State Bank of India as lead Banker in the High Court of Calcutta for extension of time for repayment of outstanding loans. The matter is pending before the Hon'ble High Court.
- (iv) At the Extra Ordinary General Meeting of the Company held on 20.03.2019, Shareholders approval has been obtained for raising debts upto Rs. 8,00,00,00,000 (Rupees Eight Hundred Crores) including any loans infused by the promoters as on date.

BABU LAL PATNI

Company Secretary in practice

FCS No : 2304

C.P. No. : 1321

Place: Kolkata

Dated: 13th May, 2019

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 II to the Board's Report

'Annexure A'

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

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
Dated: 13th May, 2019

BABU LAL PATNI
Company Secretary in practice
FCS No : 2304
C.P. No. : 1321

Annexure III to the Board'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	61	B. Com. Dip. In Diesel Engg. 39 years	01.10.2005	Chairman and Managing Director (To Manage the affairs of the Company on day to day basis)	Nil	Glass Equipment (India) Ltd. (Managing Director)	3.48
2	Shri Mukul Somany	54	B. Com (Hons.) 32 years	01.10.2005	Vice Chairman and Managing Director (To manage the affairs of the Company on day to day basis)	Nil	None	4.49

Notes:

- 1) Remuneration includes Salary, Commission and contribution to P.F and perquisites.
- 2) Shri Sanjay Somany and Shri Mukul Somany are related to each other.
- 3) All appointments of the above employees are contractual.

Disclosure on the Remuneration of the Managerial Personnel

The median remuneration of employees of the Company during the financial year was ₹ 4.47 lakh (INR) and percentage increase in median remuneration is 9.02%.

- a. There were 944 Staff & 2229 Permanent Workers on the rolls of Company as on 31st March, 2019.
- b. There is no increase in the remuneration paid to Executive and Non-Executive Directors.
- c. Ratio of remuneration of Shri Sanjay Somany and Shri Mukul Somany to median remuneration of employees are 0,0 respectively.
- d. Affirmation that the remuneration is as per the remuneration policy of the Company – Yes

Annexure III to the Board's Report

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

Details of top 10 employees in terms of remuneration drawn										
Sl No	Name	Designation	Remuneration received	Qualifications	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
1	Vinay Saran	President Marketing	84,07,722	B.Sc, MBA	32	12.02.2007	53	Indo Rama Synthetics Limited (GM Marketing & Product Head)	Nil	No
2	Bimal Kumar Garodia	President & CFO	83,22,948	FCA, FCS, FICWA	27	26.04.2008	51	Bajaj Eco-Tech Products Ltd. (VP Finance) & Company Secretary)	5	No
3	Ajay Kr. Rai	SR.VP-SMC	66,23,649	BE Mech	24	02.02.2012	44	Baxter India Pvt. Ltd. (Plant Manager)	Nil	No
4	Somnath Sengupta	SR.VP- Managemet Audit	64,30,370	CA, ICWA, B.Sc (Hons)	29	01.07.2011	54	Eveready Industries (GM Internal Audit)	Nil	No
5	Alok Taparua	VP-Finance	54,41,513	CA, ICWA,	23	20.08.2003	44	Vikrant Alloys and Forgings Private Limited.(Head OMG)	Nil	No
6	Shiv Raj Bansal	VP-Commercial	52,18,872	C.A., M.Com.	35	01.02.2011	59	M/s Motherson Sumi Ltd. (VP)	Nil	No
7	Pawan Kumar Sharma	SR. Vice President-Tech Centre	51,00,272	B. E (Mech) , MBA	24	17.07.1995	43	Started career with HNGIL	Nil	No
8	Ajoy Kumar Chakravarti	SR. VP-Operation	49,50,000	B.E (Electrical)	33	12.12.2012	54	UAL Industries Ltd. (VP-Operation)	Nil	No
9	Sailendra Kumar Misra	VP-Marketing	38,51,391	B.E (Mech), PGDBM	23	21.03.2011	47	Sharp Industries Ltd. (VP Sales & Marketing)	Nil	No
10	Naresh Gupta	VP-Marketing	37,91,646	B.Sc.	40	02.11.2015	60	Radico Khaitan Ltd. (AVP - Supply Chain Procurement))	Nil	No

Annexure IV to the Board'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, 2019.

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"> 1. Rebuild of Fur#1 reduced melting energy from 1490 Kcal/kg to 1190 Kcal/kg of glass draw. 2. Higher percent cullet (45% against earlier 30%) has been used in Fur 1 in batch reducing melting energy by 20 Kcal/Kg per day. 3. 3-stage centrifugal compressor (centac-4) fine-tuned and being used for VHP air, resulting in stoppage of 3 no's VHP Compressors of lower output. Energy saving of 3500 Units/Day achieved. 4. 320 Low efficiency MV lamp and MH lamp replaced with LED light.
Bahadurgarh	<ol style="list-style-type: none"> 1. Replaced MCB 34 intake cone, to increase overlapping. Saving ~150KWH/day. 2. Shifted M/c 51 compressed air receivers near machine to reduce pressure drop. Saving ~360KWH/day 3. Regular monitoring and bidding through IEX. (Saving ~492 lacs last year). 4. Installed 1733 LED lights. (Saving ~ 960 KWH /day.) 5. Replaced Wartsila and Sulzer room opaque sheets with transparent sheets. Saving ~36KWH/day in view of reduced lighting load. 6. Optimized furnace combustion with dual fuel firing –Gas and LSHS. 7. One shrink machine heater has been controlled by thyristor. (Saving ~100KWH/day). 8. Regular monitoring & controlling of batch moisture % on line to control boosting & fossil energy with optimized pull. 9. Regular monitoring & controlling of burner angle for optimized fuel consumption, as well as flame geometry for better heat penetration in molten bath.
Rishikesh	<ol style="list-style-type: none"> 1. Mold Cooling Blower room cooling is improved by making ring man. (Saving 300 to 400 Kwh / Day). 2. Main Cooling Tower water stream has been improved for stopping additional Vacuum pump cooling tower. (Saving 200 Kwh / day). 3. Automation of electrode cooling water pump system. (Saving 100 Kwh / day). 4. ETP plant 15 HP VSM replaced with 7.5 HP submersible pump (Saving 60 kwh / day). 5. New STP plant of capacity 60 KLD installed.
Sinnar	<ol style="list-style-type: none"> 1. Reduced Δ P across compressor dryers. Heat exchanger being cleaned on quarterly basis (Saving: 1000 Kwh/day) 2. At present F-10 two Reciprocating compressor are running (One full load and other partial load) whereas in F-12, one Screw compressor is running at 70% load. F-10 and F-12 Pilot lines has been interconnected to utilize remaining 30% load of F-12 screw compressor with auto start operation for F-10 plant. (Saving: 1500 Kwh/Day). 3. Previously Power step down was 132 KV/ 11 KV / 433 Volts. Reduced the LT distribution supply voltage from 433 KV to 415 Volts through LT Transformer tape changer (Saving: 2000 Kwh/day). In discharge lighting, 5% reduction in voltage results in 5% saving with negligible reduction in flux level (Saving: 150 Kwh/Day).

Annexure IV to the Board's Report

	<p>4. Maintaining and utilization of MSEDCL power with monitoring of maximum demand to get load factor incentive. Average load factor: 91%, Saving : 55 Lacs /Month</p> <p>5. Switchover from LNG to LPG as landing cost of LPG is lower than LNG by Rs.31/Kg Saving in Jan.19 to March 19 is 66.18 Lacs, Saving: 162.83 Lacs/annum</p>
Naidupeta	<p>1. Power purchased through IEX platform led to saving of Rs. 5.7 Lac</p> <p>2. The power factor of the grid power supply has been increased & maintained above 0.995.</p> <p>3. 150 nos. of indoor Metal Halide lamps of 250 watts replaced with 72 watt LED lamps leading to power savings of Rs. 7 Lacs / year</p> <p>4. Ceramic welding of the Gable wall is done for improving the life of the Furnace.</p> <p>5. The entire cooling tower blow down waste water is being recycled for Hot GOB Chute & Spout water cooling, leading to savings 75 KL per day.</p>
Pondicherry	<p>1. Cold End - Thyristor logic provided for Shrink wrap machines operations (Saving of 45 units/day).</p> <p>2. Thyristor logic provided in Mould heating ovens (Saving of 75 units/day).</p> <p>3. IS Machine - Replacement of 22 KW Water recirculation pump into 11 KW pump (Savings of 50 units/day).</p> <p>4. Lightings – Conventional Lights replaced with LED lights (Saving - 80 units / days).</p> <p>5. Water System - Yield of Bore well Pump No.1 has been increased, the Bore well Pump No 2 has been changed to a higher capacity and hence the daily running hours of bore well has been reduced</p> <p>6. Water System - Per day water consumption reduced to (270-280) KL per day. Everyday around 4 KL of drained water of compressor being collected in a sump and transferred to cooling tower</p>

2. RESEARCH AND DEVELOPMENT

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

Plant	Initiatives & Developments
Rishra	<p>1. Less usage of Selenium & Nitre in White glass to counterbalance increase of iron level due to usage of high quality Bhuj Sand, Bhutan Limestone and American Soda Ash.</p> <p>2. Thyristor based temperature control system installed for packing machine no-14 to monitor temperature variation with high discrimination and ensure energy saving.</p> <p>3. 180 & 375 ML MCD.NO.1 ultra L/W job (145 Gm / 245 Gm) commercial run undertaken</p> <p>4. Phosphorus Bronze Bushing implemented in Shear Arm in place of rubber Bushing, resulting in 50% reduction of shear mark issue.</p> <p>5. Revimac Cross Conveyor system on Line 14 has been converted to Pennekamp Cross Conveyor system i.e from chain drive to Direct Coupling Drive resulting in reduction of Maintenance cost and elimination of Accidents.</p>
Bahadurgarh	<p>1. Furnace 5 Regenerator was rebuilt with minimum costing and in live furnace condition by isolating flue gas of regenerator.</p> <p>2. Furnace # 4 Regenerator is being operated in challenging condition in view of choking. Choking was cleared by cutting, channel in regenerator and passing gas through this to release back pressure in melter.</p>
Rishikesh	<p>1. In house Cold End Coating Equipment development.</p> <p>2. Indigenously developed automatic Hot- End coating machine commissioned at Rishikesh plant.</p>
Sinner	<p>1 Mould cooling blower cone setting with the help of Tech Centre (Monthly saving: 27000 KWH)</p> <p>2 SAM Soda Ash Usage in F10's Amber Glass @ 80% and also Usage of 50: 50% Rajpadri : Ponda Ghat region Amber Sand. – Cost Saving: 262 Rs/Ton</p> <p>3 New Flint Glass Recipe (More Forming Friendly and High Weathering Resistant) Introduction in F12.</p>

Annexure IV to the Board's Report

3. FUTURE PLANS OF ACTION

Plant	Initiatives & Developments	
Rishra	1.	Cold repair of Furnace # 2 to improve output and specific energy usage.
	2.	132KV Sub-Station installation to ensure uninterrupted power supply.
Bahadurgarh	1.	Cold Repair of Furnace # 5.
	2.	Furnace # 4 - Regenerator's Checkers Change.
	3.	Roof Top Solar Panels Installation - 1,500 KW
Rishikesh	1.	Cold repair of Furnace # 7 & Fur # 8 to get designed output and fuel efficiency.
	2.	ETP capacity enhancement from 250 KLD to 400 KLD.
Sinnar	1.	Cold repair of Furnace #10 to improve output and specific energy usage.
Naidupeta	1.	LNG Tanker and vaporization system installation
	2.	Roof Top Solar Panel Installation.
Neemrana	1.	Furnace Cold repair and startup to meet Market demand
Pondicherry	1.	Cold repair of Furnace to Improve output and Fuel efficiency.
	2.	110 KV substation to ensure uninterrupted power supply.
	3.	Plunger process control on line 91 & 94 - NNPB process capability.

4. EXPENDITURE ON R & D

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

5. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- NNPB Beer produced in Rishra, Pondicherry, Sinnar and Bahadurgarh.
- NNPB bear bottle samples developed for MOLSON COORS USA.
- 11 No. NNPB food SKUs developed and established at Bahadurgarh unit.
- Light weight NNPB water bottles developed & commercialised at Bahadurgarh.

Annexure IV to the Board's Report

6. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign exchange earnings and outgo are detailed below:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Earnings in foreign exchanges	7,697.54	4,393.20
Expenditure incurred in foreign exchanges		
Raw Materials	26,836.35	20,031.95
Components, Spare parts and Repairs	865.78	2,839.26
Capital Goods	69.03	274.37
Other Expenses	1,492.24	1,320.54

For and on behalf of the Board

Place : Kolkata
Date : 17th May, 2019

Sanjay Somany
Chairman & Managing Director
(DIN: 00124538)



Corporate Governance Report

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 endeavour 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 2018-19, 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").

2. Board of Directors

The Board is entrusted with the ultimate responsibility of the management directions and performance of the Company. 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 31st March, 2019 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.

The Chairman of the Company is a promoter, Executive Director.

** w.e.f 26.04.2019, total Directors on the Board is 6 (six). Mr. Amal Chandra Saha (DIN: 00443348), aged 79 years has been appointed as Additional Non – Executive Independent Director on the Board w.e.f. 26.04.2019, subject to shareholders approval at ensuing Annual General Meeting.

Report on Corporate Governance

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 2018-19		Directorship in other companies [^]	Number of Board Committees in which he is Chairman/ Member#			Name of Listed entities where the Person is a director and the category of Directorship
		Board	AGM		Chairman	Member	Total	
Shri Sanjay Somany (Promoter) *	(Chairman & Managing Director) Executive	9	Yes	4	Nil	Nil	Nil	Hindusthan National Glass & Industries Limited (Executive Director) Spotlight Vanijya Limited (Executive Director)
Shri Mukul Somany (Promoter)**	(Vice Chairman & Managing Director) Executive	10	No	5	1	1	2	Hindusthan National Glass & Industries Limited (Executive Director) Spotlight Vanijya Limited (Executive Director)
Shri Ratna Kumar Daga***	Independent, Non-Executive	11	Yes	2	1	1	2	Hindusthan National Glass & Industries Limited (Non-Executive Independent Director) Somany Ceramics Limited (Director)
Shri Dipankar Chatterji****	Independent, Non-Executive	10	No	6	5	2	7	Hindusthan National Glass & Industries Limited (Non-Executive Independent Director) TRF Limited (Director)
Smt. Rita Bhimani	Independent, Non-Executive	11	Yes	1	Nil	Nil	Nil	Hindusthan National Glass & Industries Limited (Non-Executive Independent Director) Asian Hotel (EAST) Limited (Director)
Shri Narayanaswami Sitaraman \$	Independent, Non-Executive	Nil	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
Shri Amal Chandra Saha \$\$	Additional Independent, Non-Executive	N.A as he was appointed w.e.f. 26.04.19	N.A as he was appointed w.e.f. 26.04.19	Nil	Nil	Nil	Nil	Hindusthan National Glass & Industries Limited (Additional Director)

* Shri Sanjay Somany, (DIN: 00124538) has been re-appointed as Chairman & Managing Director of the company on honorary basis for 3 (Three) Years w.e.f. 1st April, 2018 to 31st March, 2021, vide recommendation of Nomination and Remuneration Committee at its meeting dated 12th February 2018, Approval of Board at its Meeting dated 12th February, 2018 and through Shareholders' consent at 72nd Annual General Meeting held on 18th September, 2018.

** Shri Mukul Somany, (DIN: 00124625) has been re-appointed as Vice-Chairman & Managing Director of the company on honorary basis for 3 (Three) Years w.e.f. 1st April, 2018 to 31st March, 2021, vide recommendation of Nomination and Remuneration Committee at its meeting dated 12th February 2018, Approval of Board at its Meeting dated 12th February, 2018 and through Shareholders' consent at 72nd Annual General Meeting held on 18th September, 2018.

Report on Corporate Governance

- *** Shri Ratna Kumar Daga (DIN: 00227746), Non Executive Independent Director has been re-appointed for another term of 5 (Five) Years w.e.f. 1st April, 2019 to 31st March, 2024, vide recommendation of Nomination and Remuneration Committee at its meeting dated 13th February, 2019, Approval of Board at its Meeting dated 13th February, 2019 and through Shareholders' consent vide Special Resolution at Extra Ordinary General Meeting of the Company held on 20th March, 2019.
- **** Shri Dipanker Chatterji (DIN: 00031256), Non Executive Independent Director has been re-appointed for another term of 5 (Five) Years w.e.f. 1st April, 2019 to 31st March, 2024 vide recommendation of Nomination and Remuneration Committee at its meeting dated 13th February, 2019, Approval of Board at its Meeting dated 13th February, 2019 and through Shareholders' consent vide Special Resolution at Extra Ordinary General Meeting of the Company held on 20th March, 2019.
- ^ 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)
- \$ Ceased to be the Director of the Company, pursuant to Death w.e.f 24th April, 2018.
- \$\$ Shri Amal Chandra Saha (DIN: 00443348), aged 79 years has been appointed as Additional Non – Executive Independent Director on the Board w.e.f 26.04.2019, subject to shareholders approval at ensuing Annual General Meeting.
- Shri Sanjay Somany, Chairman & Managing Director and Shri Mukul Somany, Vice Chairman & Managing Director, are brothers. Other Directors are not related to one another.
 - **Board meetings held during the year :**

In the financial year 2018-19, 11 (Eleven) Board meetings 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.	16th May, 2018	April 2018 - June 2018	5
2.	8th June, 2018	April 2018 - June 2018	4
3.	28th June, 2018	April 2018 - June 2018	3
4.	9th August, 2018	July 2018 - September 2018	5
5.	27th August, 2018	July 2018 - September 2018	5
6.	14th November, 2018	October 2018 - December 2018	5
7.	11th January, 2019	January 2019 - March 2019	5
8.	14th January, 2019**	January 2019 - March 2019	4
9.	5th February, 2019	January 2019 - March 2019	5
10.	13th February, 2019	January 2019 - March 2019	5
11.	20th February, 2019	January 2019 - March 2019	5

** This is an Adjourned Meeting for board meeting 11th January, 2019.

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

The Board 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 Board/ Board Committee meetings are communicated to the concerned departments.

- **Availability of information to the Board Members**

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

Report on Corporate Governance

- **Independent Directors' Meeting**

During the year, a separate meeting of the Independent Directors was held on 13th February, 2019 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.

- **Familiarisation Programmes for Independent Directors**

The Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise 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 programmes for Independent Directors are posted on the website of the Company at <http://www.hngil.com/downloads/FamiliarizationProgrammeHNGIL250515.pdf>

- **Expertise and Competence of the Board of 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 Board and Committee Meetings, by providing guidance and expert advice to the Board 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 Board are:-

Shri Sanjay Somany & Shri Mukul Somany are leaders in the organized Indian container glass market. Having gained more than 25 years of experience in such manufacturing industry, they become an acknowledged experts in glass business. Shri Mukul Somany is an expert in finance as well as marketing fields also. Both of them are managing day to day affairs of the Company.

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

Shri Dipankar Chatterji is a renowned Chartered Accountant and an expert in the fields of finance, taxation, accounts & laws. He is one of the guiding force behind its accounting functioning and financial growth.

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.

Please refer Page No.1 & 2 of this Annual Report for more details on profile of each Directors.

- **The Board has confirmed that Independent Directors of the Company fulfil the conditions specified in these regulations and are Independent of the management.**
- **During the Financial Year 2018-2019, none of the Independent Director has resigned from the Company before the expiry of his tenure.**

Report on Corporate Governance

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 Board of Directors.

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.
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 financial year 2018-19, 10 (Ten) meetings of the Audit Committee were held and the attendance of each member of the Committee is given below.

• Dates of meetings:

6th April, 2018	16th May, 2018	28th June, 2018	9th August, 2018
28th September, 2018	14th November, 2018	18th December, 2018	12th January, 2019
13th February, 2019	14th March, 2019		

Members of the Audit Committee have the requisite financial and management expertise. The Chairman of the Audit Committee attended the 72nd 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	10	10
Member	Shri Dipankar Chatterji	Non-Executive, Independent Director	10	10
Member	Shri Narayanaswami Sitaraman (13.04.2017 to 24.04.2018)*	Non-Executive, Independent Director	10	1
Member	Shri Mukul Somany (w.e.f 4th May, 2018)	Executive Director	10	5

*Ceased to be the Member of the Audit Committee pursuant to Death w.e.f 24th April, 2018.

The Chairman of the Board, Chief Financial Officer, Internal Auditor and Statutory Auditor are invited to attend all the meetings.

Due to sad and sudden demise of Shri Narayanaswami Sitaraman, the Board of Directors of the Company has re-constituted the Audit Committee by a Resolution passed by circulation and has inducted Shri Mukul Somany as a member of the Audit Committee w.e.f 4th May, 2018.

Report on Corporate Governance

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 2018-19, 3 (Three) meetings of the Nomination & Remuneration Committee was held on:

28th June, 2018	5th February, 2019	13th February, 2019
-----------------	--------------------	---------------------

Total strength of the Nomination & Remuneration Committee: Three

Designation	Members	Category	Number of meetings held	Number of meetings Attended
Chairman	Shri Ratna Kumar Daga	Non-Executive, Independent Director	3	3
Member	Shri Narayanaswami Sitaraman #	Non-Executive, Independent Director	-	-
Member	Shri Dipankar Chatterji	Non-Executive, Independent Director	3	3
Member	Smt. Rita Bhimani	Non-Executive, Independent Director	3	3

Shri Narayanaswami Sitaram was appointed as the member of the Nomination & Remuneration Committee w.e.f 12th August, 2017 and ceased to be a member w.e.f 24th April, 2018, pursuant to his death.

Due to sad and sudden demise of Shri Narayanaswami Sitaraman, the Board of Directors of the Company has re-constituted the Nomination and Remuneration Committee w.e.f 16th May, 2018.

- **Nomination & Remuneration Policy of the Company**

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

Details of the remuneration paid to the Directors during 2018-19

- **To Non-Executive Directors**

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

Report on Corporate Governance

- The details of sitting fees paid and commission payable during 2018-19 are as follows:

(In ₹)

Directors	Business relationship with HNG	Sitting fees (INR)	Commission	Total (INR)
Shri Narayanaswami Sitaraman#	None	15,000	--	15,000
Shri Ratna Kumar Daga	None	4,00,000	--	4,00,000
Shri Dipankar Chatterji	None	3,80,000	--	3,80,000
Smt. Rita Bhimani	None	2,50,000	--	2,50,000
Total		10,45,000		10,45,000

Ceased to be the Director of the Company, pursuant to death w.e.f 24th April, 2018.

- To Executive Directors

(In ₹)

The details of remuneration paid to Executive Directors, during F.Y. 2018-19, as per their respective agreements are as follows:

Break-up of Remuneration	Shri Sanjay Somany	Shri Mukul Somany
	Chairman & Managing Director	Vice Chairman & Managing Director
Salary	--	--
Provident fund	--	--
Perquisites	--	--
Commission	--	--
Others* Club fees and Car Fuel	--	--
Total	--	--

Note :

- As per agreement dated 7th May, 2015, Shri Sanjay Somany & Shri Mukul Somany are eligible for a Commission @ 1.5% of the net profit computed in accordance with provisions of the Companies Act, 2013, restricted to annual basic salary drawn in that particular year. Due to the inadequacy of profits during the financial year 2018-19, no commission was paid to Executive/Non-Executive Directors of the Company.
- No stock option is available to the Executive Directors or the employees of the Company.

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 Board of Directors and it was approved by the Board of Directors at its Meeting held on 11th February, 2015. 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.

5. Stakeholders' Relationship Committee

Composition, meetings and attendance during the year

Total strength of the Stakeholders' Relationship Committee: **Three**

During the year under review, only one meeting were held on 5th July, 2018.

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

Report on Corporate Governance

Terms of Reference -

The Committee mainly looks into the matters of Shareholders/Investors grievances. Shri Lalit Lohia, Company Secretary is also the Compliance Officer of the Company.

Shareholders' complaints and pending share transfer

No investor grievance was pending at the beginning and at the end of the F.Y. 2018-19 and there was no investor grievances during the year under review also.

6. 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

The Role and Responsibility 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.

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 09.05.2005 for smooth functioning of business and banking activities.

Total strength of the Treasury Management Committee: **Four**

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

The Role and Responsibility 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, three meeting were held on 20th April, 2018, 6th February, 2019 and 20th March, 2019.

Report on Corporate Governance

7. Subsidiary

As on 31st March, 2019, the Company does not have any subsidiary.

8. 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 <http://www.hngil.com/report/whistleblowerpolicy.pdf>

9. 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 and date	Time
72nd Annual General Meeting	CII-Suresh Neotia Centre of excellence for leadership, DC-36, Sector – I, Salt lake city, Kolkata - 700 064	Tuesday, 18th September, 2018	10:00 a.m.
71st Annual General Meeting	CII-Suresh Neotia Centre of excellence for leadership, DC-36, Sector – I, Salt lake city, Kolkata - 700 064	Monday, 18th September, 2017	10:00 a.m.
70th Annual General Meeting	CII-Suresh Neotia Centre of excellence for leadership, DC-36, Sector – I, Salt lake city, Kolkata - 700 064	Wednesday, 28th September, 2016	10:00 a.m.

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

Shareholders' Meeting	Special Business requiring Special Resolution
72nd Annual General Meeting	1. No Special Resolution was passed.
71st Annual General Meeting	1. Issuance of Equity Shares to the Promoters on Preferential Basis.
70th Annual General Meeting	1. No Special Resolution was passed.

Extra-Ordinary General Meeting and Postal Ballot

In the F.Y. 2018-19, No resolution was passed through postal ballot. One Extra-Ordinary General Meeting was held on Wednesday, 20th March, 2019 at CII-Suresh Neotia Centre of excellence for leadership, DC-36, Sector-I, Salt Lake City, Kolkata - 700 064 at 10:30 A.M. Details of Special Resolution passed at such meeting are:

Extra Ordinary General Meeting	Special Business requiring Special Resolution
Wednesday, 20th March, 2019	1. Re-appointment of Shri Ratna Kumar Daga (DIN: 00227746) as an Independent Director for another period of Five Years w.e.f 1st April, 2019 to 31st, March, 2024.
	2. Re-appointment of Shri Dipankar Chatterji (DIN: 00031256) as an Independent Director for another period of Five Years w.e.f 1st April, 2019 to 31st, March, 2024.
	3. ****

**** A special resolution related to Issue of Compulsorily Convertible Preference Shares on Private Placement was not taken up at such Extra-Ordinary General Meeting, due to some pending requisite approvals by incoming investor from various Government Authorities. Due to non-availability of such approvals, Statutory Auditors were finding difficulty in issuing requisite certificate. In the aforesaid circumstances, after discussion with the members, it was decided to take up this matter in future date, by issuing a fresh notice.

10. 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 Board regularly for its approval. As required under the Listing

Report on Corporate Governance

Regulations, the Company has formulated a policy on dealing with related party transaction and the same is available on the website of the Company (<http://www.hngil.com/report/policyonrelatedpartytransactions.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 2.37 of Notes on Financial Statements in the Annual Report.

During the last three years, there were no strictures 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 related to the capital market.

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

During the financial year 2018-19, the Company didn't make any public or right issue.

The Financial Statements for 2018-19 were prepared in accordance with the applicable Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013.

The Chairman & Managing Director, Vice Chairman & Managing Director 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, 2019. 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 31st March, 2019. A declaration in this connection from Chairman & Managing Director and Vice Chairman & Managing 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 trading by insiders 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.

(Amount in ₹)

Name of Person or Entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding	Percentage Shareholding as on 31st March, 2019	Type of Transaction During the Year	Amount of Transaction During the Year
Spotlight Vanijya Limited	18.09	Loan Taken	8,00,000,000
		Rent paid	9,00,000
Brabourne Commerce Private Limited	24.29	-	-

For more details, Kindly refer note no. 2.37.1 of Standalone Financial Statement for year ended 31st March, 2019.

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.

11. 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 Dainik Jugshanka). Moreover, the quarterly/annual results and official news releases along with various other information, are generally sent to the Stock Exchanges, as well as also hosted on Company's website i.e www.hngil.com.

Report on Corporate Governance

12. General shareholder information

Incorporation	The Company was incorporated in Calcutta, in the Province of Bengal, on February 23, 1946.
Corporate Identification Number (CIN)	L26109WB1946PLC013294
Date, time and venue of AGM	Wednesday, 18th September 2019, at 10.00 a.m. Venue :- CII-Suresh Neotia Centre of excellence for leadership, DC-36, Sector – I, Salt Lake City, Kolkata - 700 064
Financial calendar (Tentative)	April 2019 to March 2020
1st quarter results by	2nd week of August, 2019
2nd quarter results by	2nd week of November, 2019
3rd quarter results by	2nd week of February, 2020
4th quarter results by	3rd / 4th Week of May, 2020
Date of Book Closure	11th September, 2019 to 18th September, 2019 (both days inclusive)

- Listing on Stock Exchanges**

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

- | | | |
|---|--|--|
| <p>1] The Calcutta Stock Exchange Limited,
7, Lyons Range,
Kolkata - 700 001
Email: cseadmin@cseindia.com
Website : www.cse-india.com
Scrip code : 10018003</p> | <p>2] BSE Limited,
25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
Email: corp.relations@bseindia.com
Website : www.bseindia.com
Scrip code : 515145</p> | <p>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</p> |
|---|--|--|

- Listing fees paid for the year 2019-20 for all the above Stock Exchanges.**

- High / Low share price data**

- 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.
- 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 ₹)	Low (in ₹)	Volume (shares)
April, 2018	120.80	94.15	26,129
May, 2018	103.00	81.20	26,160
June, 2018	109.60	69.20	2,16,307
July, 2018	104.00	75.05	80,745
August, 2018	139.45	76.00	2,71,141
September, 2018	128.80	87.55	71,241
October, 2018	88.50	75.70	12,144
November, 2018	88.20	74.20	10,044
December, 2018	92.00	73.90	20,503
January, 2019	116.95	78.25	38,647
February, 2019	98.90	85.10	16,777
March, 2019	92.80	80.00	33,803

Source: www.bseindia.com

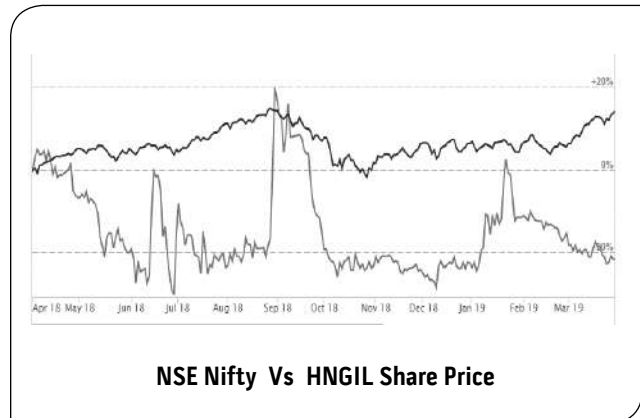
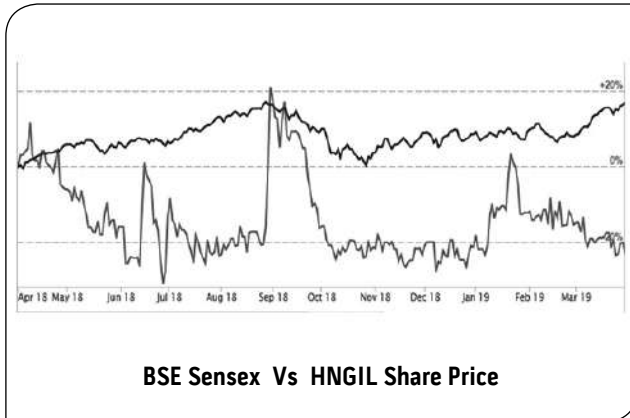
At National Stock Exchange of India Limited

Month	High (in ₹)	Low (in ₹)	Volume (shares)
April, 2018	117.00	97.95	26,953
May, 2018	100.50	81.50	26,963
June, 2018	109.85	70.00	9,86,171
July, 2018	102.95	73.70	2,62,748
August, 2018	138.70	77.70	7,90,941
September, 2018	125.65	87.00	2,88,823
October, 2018	90.00	77.00	64,700
November, 2018	84.90	76.60	66,134
December, 2018	88.50	73.00	27,349
January, 2019	112.00	75.10	2,15,353
February, 2019	101.00	79.00	54,239
March, 2019	98.00	73.00	1,97,002

Source: www.nseindia.com

Report on Corporate Governance

Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty For F.Y. 2018-19.



Registrar and Share Transfer Agent	<p>In compliance with the SEBI directive, the Company has appointed M/s Maheshwari Datamatics Private Limited, as its Registrar and Share Transfer Agent for all matters relating to shares, both in physical as well as in dematerialised mode.</p> <p>However, documents relating to shares are also received at the Company's Registered Office at 2, Red Cross Place, Kolkata 700 001.</p> <p>Tel. No : (033) 2254 3100, Fax No: (033) 2254 3130, e-mail address: cosec@hngil.com</p>
Share Transfer System	<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>

• Distribution of shareholding as on 31st March, 2019

No. of equity shares held	Holders		%		Shares		%	
1 to 5,000	3,994		96.4268		5,41,570		0.6047	
5,001 to 10,000	34		0.8209		1,31,632		0.1470	
10,001 to 20,000	18		0.4346		1,51,043		0.1687	
20,001 to 30,000	24		0.5794		3,27,260		0.3654	
30,001 to 40,000	7		0.1690		1,31,613		0.1470	
40,001 to 50,000	25		0.6036		5,65,743		0.6317	
50,001 to 1,00,000	8		0.1931		2,94,934		0.3293	
1,00,001 to above	32		0.7726		87,409,770		97.6061	
Grand Total	4142		100		8,95,53,565		100	
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	17	16	0.3918	0.3793	6756	6756	.0075	.0075
Electronic Mode								
NSDL	2458	2401	56.6490	56.9092	83027760	83027760	92.7130	92.7130
CDSL	1864	1802	42.9592	42.7115	6519049	6519049	7.2795	7.2795
Total	4339	4219	100	100	8,95,53,565	8,95,53,565	100	100

Report on Corporate Governance

- Shareholding Pattern as on 31st March, 2019**

Category	No. of shares	%
Promoters & Associates	633,38,840	70.7273
Institutions - F.P.I	63,48,025	7.0885
Domestic Companies	72,93,611	8.1444
Resident Individuals	12,539,830	14.0026
Foreign residents and NRI's	2287	0.0026
IEPF	2,418	0.0027
Clearing Member	28,454	0.0318
NBFCs Registered with RBI	100	0.0001
Total	895,53,565	100

- Dematerialisation of shares and liquidity**

As on 31st March, 2019, 8,95,46,809 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 31st March, 2019 and 31st March, 2018, of which all the shares are held in dematerialised 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

- 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:

- 2, Panchu Gopal Bhaduri Sarani,
Rishra - 712 248, Dist. Hooghly,
West Bengal, Phone : (033) 2600 0200,
Fax (033) 2600 033
- 14, RIICO Industrial Area
Neemrana, Distt. Alwar
Pin - 301705 (Rajasthan)
Tel - 01494 - 246712, 513935
Fax - 01494 - 246713
- Thondamanatham Village,
Vezhudavoor S. O.
Puducherry - 605 502
Phone : (0413) 2677319,
Fax (0413) 2677366/2677666
- Sy. No. 12-299
APIIC Industrial Park, Venkatagiri Road,
Menakuru village, Naidupeta
SPSR Nellore district 524421, Andhra Pradesh
Phone: 91-8623-211001
- Bahadurgarh - 124507,
Dist : Jhajjar, Haryana.
Phone : (01276) 221400,
Fax (01276) 221666
- P.O. Virbhadra,
Rishikesh - 249201,
Dist. Dehradun, Uttarakhand
Phone : (0135) 2470700,
Fax (0135) 2470777
- Nashik Glass Work,
F1, MIDC Malegaon,
Dist. Sinnar, Nashik - 422113
Phone : (025511) 228900,
Fax (025511) 228999

Report on Corporate Governance

- **Address for correspondence** Lalit Lohia
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' grievance** cosec@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.

- 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- The Certificate is attached to this report.

- Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof- Not applicable, as 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 and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.- Rs 31,65,000/- (Rupees Thirty One Lakhs and Sixty Five Thousand Only). 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 :**
 - The Board At present, the Chairman of the Company, Shri Sanjay Somany does 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.

 - Separate Posts of Chairman and MD The Company has not separated position for Chairman and Managing Director.

 - Reporting of Internal Auditors The Internal Auditors report to the Audit Committee of the Company, to ensure independence of the Internal Audit function.

Report on Corporate Governance

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

Particulars	Regulation Number	Compliance status (Yes/No NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management *	17(9)	NA.
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Not Applicable
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Not Applicable
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Not Applicable
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Other Corporate Governance Requirements	27	Yes
Website	46(2) (b) to (i)	Yes

*This is applicable to top 100 listed companies only. Our Company is not included in top 100 listed Companies

- Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account :**
Not applicable, No shares lying in Suspense Account.

For and on behalf of the Board

Sanjay Somany

Chairman & Managing Director

(DIN: 00124538)

Place : Kolkata

Date : 17th May, 2019

Report on Corporate Governance

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 2018-19, in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Place : Kolkata
Date : 17th May, 2019

Sanjay Somany
Chairman & Managing Director

Mukul Somany
Vice Chairman & Managing Director

CEO & CFO Compliance Certificate

We, hereby certify that:-

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended 31st March, 2019 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, 2019 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 : 17th May, 2019

Sanjay Somany
*Chairman &
Managing Director*
(Chief Executive Officer)

Mukul Somany
*Vice Chairman &
Managing Director*
(Chief Executive Officer)

Bimal Kumar Garodia
*President &
Chief Financial Officer*

Report on Corporate Governance

**COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019**

[as prescribed under the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Hindusthan National Glass & Industries Limited
2, Red Cross Place, Kolkata - 700 001

1. I have reviewed the compliance of conditions of Corporate Governance by Hindusthan National Glass & Industries Limited (hereinafter referred to as 'the Company'), for the year ended on 31st March, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as 'Listing Regulations').
- 2) In my opinion and to the best of my information and according to the examinations of the relevant records and the explanations given to me and the management representation letter of even date, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the Listing Regulations, during the year ended on 31st March, 2019.
- 3) The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 4) I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M. Rathi & Co.**
Company Secretary in Practice
Kumkum Rathi
FCS No : 6016
C.P. No. : 6209

Place : Kolkata
Dated : 6th May, 2019

Report on Corporate Governance

CERTIFICATE OF DIRECTORS DISQUALIFICATION FROM PRACTISING COMPANY SECRETARY

Babu Lal Patni
Company Secretary

51, Nalini Sett Road
5th Floor, Room No 19
Kolkata - 700 007
Tel No: 2259-7715/6
Email Id: patnibl@yahoo.com

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

Certificate under clause 10 (i) of Part C of Schedule V to the SEBI (LODR) Regulations, 2015

I have checked the information available at MCA portal, resolution passed by the Board of Directors and other relevant records of the Company. Based on my checking and as per information and explanations provided by the Company, I certify that none of the Directors on the Board of the Company as on 31.03.2019 have been debarred or disqualified from being appointed or continuing as director of the Company by the Board/ Ministry of Corporate Affairs or any other statutory authorities.

Place: Kolkata
Dated: 13th May, 2019

Signature:
Name of the Company : **BABU LAL PATNI**
Secretary in Practice
FCS 2304
C.P. No: 1321

Financial Statements

Independent Auditors' Report

To the Members of

Hindusthan National Glass & Industries Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS financial statements of Hindusthan National Glass & Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31 2019, the Statement of Profit & Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. As stated in note no. 2.37.1 of the financial statements, due to inadequacy of profit, managerial remuneration to the extent of Rs. 1,818 lakhs has exceeded the limits laid down in the Companies Act, 2013. In absence of the requisite approval for the same, we are unable to ascertain the impact and comment upon the same.
2. As stated in note no. 2.33A of the financial statements, no provision for the entry tax amounting to Rs. 2,059 lakhs and interest thereon has been made by the company pending determination of the final leviable amount.
3. As stated in note no. 2.14.10 of the financial statements, regarding adjustment of Rs. 29,000 lakhs against outstanding loan balances, by the management relying on its internal calculation in absence of any proper documentation from the individual lenders.
4. We draw attention to the financial statements which indicate that the company has accumulated losses and its net worth has completely eroded, the company has incurred operating losses during the current year and in the earlier year(s), the company's current liabilities exceeds its current assets and the company is having a high debt-equity ratio (Debt being Rs. 239,109 lakhs and Equity being Rs. (2,154) lakhs) as at March 31, 2019, realizable value of assets is lower than amount payable to secured creditors, Earnings per Share is negative. In our opinion, based on the above, the company does not appear to be a going concern.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's 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 the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 on the financial statements.

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 March 31, 2019. 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 through our report.

We have fulfilled the responsibilities described in the Auditor's 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 results 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

S. N.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition</p> <p>For the financial year ended March 31, 2019, the Company has recorded revenue amounting to Rs. 2,35,896 lakhs. The accounting policies for revenue recognition are set out in Note 1.3 (M) to the financial statements. We have identified sales cut-off to be significant because of the high volume of transactions and the varying sales, contractual and shipping terms. Revenue recognition is susceptible to the higher risk that the revenue is recognized even when the control of goods has not been transferred to the customers.</p>	<p>How our audit addressed the key audit matter:</p> <p>We assessed the overall sales process and the relevant systems and the design of controls over the capture and recording of revenue transactions. We have tested the effectiveness of controls on the processes related to revenue recognition relevant to our audit. We performed sample testing on revenue and checked that the revenue recognition criteria are appropriately applied. We have also performed cut-off tests to ensure the Company has complied with proper cut-off procedures and revenue is recognized in the appropriate accounting period.</p> <p>Our Observation:</p> <p>We found the Company's revenue recognition to be consistent with its accounting policy as disclosed in Note 1.3 (M) to the financial statements. We are satisfied that the Company's revenue has been appropriately recognized and in the relevant accounting period.</p>
2.	<p>Valuation of trade receivables</p> <p>We refer to Note 1.3 and Note 2.6, to the financial statements.</p> <p>As disclosed in Notes to the financial statements, the Company assesses periodically and at each financial year end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics.</p> <p>The carrying amount of trade receivables of the Company was Rs. 36,873.33 lakhs as at March 31, 2019. We focused on this area because of its significance and the degree of judgment required estimating the expected credit loss and determining the carrying amount of trade and other receivables as at the reporting date.</p>	<p>How our audit addressed the key audit matter:</p> <p>We obtained an understanding of the Company's credit policy and evaluated the processes for identifying impairment indicators. We have reviewed and tested the ageing of trade receivables. We have reviewed management's assessment on the credit worthiness of selected customers. We further discussed with the key management and the component auditors on the adequacy of the allowance for impairment recorded by the Company and reviewed the supporting documents provided by management in relation to their assessment. We have also reviewed the adequacy and appropriateness of the impairment charge based on the available information.</p> <p>Our Observation:</p> <p>Based on our audit procedures performed, we found management's assessment of the recoverability of trade receivables to be reasonable and the disclosures to be appropriate.</p>
3.	<p>Valuation of inventories</p> <p>We refer to Note 1.3 and 2.5 to the financial statements.</p> <p>As at March 31, 2019, the total carrying amount of inventories was Rs. 38,226.27 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>How our audit addressed the key audit matter:</p> <p>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. 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. We have also reviewed the subsequent selling prices in the ordinary course of business and compared against the carrying amounts of the inventories on a sampling basis at the reporting date.</p> <p>Our Observations:</p> <p>We found management's assessment of the allowance for inventory obsolescence to be reasonable based on available evidence.</p>

Independent Auditors' Report

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' Information, 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 during the course of our 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance 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 the 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:

- a. 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.
- b. 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 adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit

Independent Auditors' Report

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.

- e. 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's report) Order, 2016 ("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.
- 2) As required by section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
 - ii. 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.
 - iii. The Balance Sheet, Statement of Profit & Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, except for the matter referred to in "Basis for Qualified Opinion" section of our report, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
 - v. 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.
 - vi. On the basis of written representations received from the Directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Act.
 - vii. The qualification relating to the maintenance of accounts and other matters connected therewith is as stated in the Basis for Qualified Opinion paragraph above.
 - viii. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - ix. 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 sitting fees paid by the Company to its independent directors during the year 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.
 - x. With respect to the other matters to be included in the Auditor's 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:

Independent Auditors' Report

- i) Pending litigations (other than those already recognized in the accounts) having material impact on the financial position of the Company have been disclosed in the financial statements as required in terms of accounting standards and provisions of the Companies Act, 2013 – refer note no. 2.33 (A) of the financial statements.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

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

Chandi Prosad Bagchi
Partner
Membership No. 052626

4th Floor, Systron Building
Plot J5, Block EP & GP
Sector V, Salt Lake, Kolkata - 91
Date: 17th May, 2019

For J K V S & CO
(Formerly Jitendra K Agarwal & Associates)
Chartered Accountants
Firm Registration No.318086E

Abhishek Mohta
Partner
Membership No.066653

5A, Nandal Jew Road
Kolkata - 26
Date: 17th May, 2019

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. In respect of the Company's fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipments.
 - b) All property, plant & equipment have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verifications.
 - 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 immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
- ii. The inventories excluding inventories lying with third parties, in few of the units and in transit have been physically verified by the management at regular intervals during the year. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable. The discrepancies noted on physical verification between the physical stock and the book records were not material to the extent verified.
 - iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
 - iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the investments, guarantees and security made.
 - v. The Company has not accepted deposits from public within the meaning of section 73 to 76 of the Act and the Rules framed there under to the extent notified.
 - 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, paragraph 3(vi) of the Order is not applicable to the Company.
 - vii. According to the information and explanations given to us and on the basis of our examination of the books of account:
 - a) The Company has generally been regular in depositing to the appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, duty of customs, goods & service tax, cess and other statutory dues. No undisputed statutory dues as above were outstanding as at March 31, 2019 for a period of more than six months from the date they became payable except for the following:

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Income Tax Act, 1961	Tax Deducted at Source u/s 194A	124.90	June Quarter, 2018	July 7, 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 year
		130.60	September Quarter, 2018	October 10, 2018		

- b) According to the information and explanation given to us, the details of disputed dues of income tax, sales tax, service tax, duty of customs, duty of excise & value added tax, which have not been deposited and the forum where the dispute is pending as on March 31, 2019 are as under :-

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	296.43	2007-08 to 2012-13	Commissioner of Central Excise Appeal/ Assistant Commissioner Central Excise Appeal

Annexure 'A' to the Independent Auditors' Report

Name of the Statute	Nature of the Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	572.55	2007-08 to 2012-13	Commissioner of Central Excise Appeal/ Assistant Commissioner Central Excise Appeal
		203.67	2009-10 to 2013-14	CESTAT & SZB, Chennai
		114.46	Oct 2011 to Mar 2012	CESTAT, Bengaluru
		29.09	1995-96 to 2010-11	CESTAT/ Supreme Court
		13.73	1993 to 1997	Dy. Commissioner Central Excise, Puducherry
		8.71	Aug 2013 to Mar 2015	Commissioner of Customs & Central Excise, Guntur
		1.66	Aug 2013 to Mar 2015	Commissioner of Customs & Central Excise, Tirupati
West Bengal VAT & The Central Sales Tax Act, 1956	Sales Tax	534.75	2002-03 to 2014-15	SCCT/JCCT
Maharashtra Value Added Tax, 2005	VAT	114.00	2005-06 to 2006-07	Joint Commissioner, Sales Tax Appeal, Nasik

viii. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has defaulted in repayment of dues to financial institutions, banks and non-banking finance companies during the year and the period and amount of defaults are as hereunder. The amount payable to debenture holders is not due in the current financial year however, the company has defaulted in the payment of interest thereon.

a) The below table discloses the default of the company in repayment of term loans availed by the Company: ₹ in Lakhs

Months	State Bank of India	HDFC Bank	Syndicate Bank	Axis Bank	L&T Finance	Edelweiss ARC Ltd.	DBS Bank	RABO Bank
Dec'17	496.00	112.50	187.50	375.00	-	173.00	554.00	-
Jan'18	-	-	-	-	-	-	1,745.00	-
Mar'18	1,996.00	112.50	187.50	444.00	-	173.00	-	-
Jun'18	744.00	168.70	250.00	375.00	-	259.00	554.00	975.75
Jul'18	-	-	-	-	-	-	2,770.00	-
Sept'18	2,244.00	168.70	250.00	472.50	7.00	259.00	-	-
Dec'18	744.00	168.70	250.00	375.00	156.25	259.00	554.00	1,385.00
Jan'18	-	-	-	-	-	-	2,770.00	-
Mar'19	2,244.00	168.70	250.00	472.50	156.25	259.00	-	-

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

₹ in Lakhs

Months	HDFC Bank	Syndicate Bank	EXIM Bank	Edelweiss ARC Ltd.	State Bank of India	Axis Bank	DBS Bank	L&T Finance	RABO Bank
Nov'17	98.66	80.23	-	-	-	-	-	-	-
Dec'17	101.95	82.91	75.03	149.42	-	-	-	-	-
Jan'18	101.95	82.91	83.06	149.42	-	-	-	-	-
Feb'18	92.08	74.89	75.02	134.96	-	-	-	-	-
Mar'18	101.95	82.91	83.06	149.42	701.73	75.65	294.84	63.29	326.62
Apr'18	98.66	80.23	80.38	130.14	679.10	73.22	114.80	-	-
May'18	101.95	82.91	83.06	134.48	701.73	75.65	-	-	-
Jun'18	98.66	80.23	80.38	130.14	679.10	73.22	350.28	62.60	195.19
Jul'18	101.95	82.91	83.06	134.48	701.73	75.66	133.26	-	-
Aug'18	101.95	82.91	83.06	134.48	701.73	75.66	-	-	-

Annexure 'A' to the Independent Auditors' Report

Months	HDFC Bank	Syndicate Bank	EXIM Bank	Edelweiss ARC Ltd.	State Bank of India	Axis Bank	DBS Bank	L&T Finance	RABO Bank
Sept'18	98.66	80.23	80.38	130.14	679.10	73.21	345.45	62.60	194.35
Oct'18	101.95	82.91	83.06	134.48	701.73	75.66	135.51	-	-
Nov'18	98.66	80.23	80.38	130.14	679.10	73.21	-	-	-
Dec'18	101.95	82.91	83.06	134.48	701.73	75.66	349.01	63.29	202.86
Jan'19	101.95	82.91	83.06	134.48	701.73	75.65	137.28	-	-
Feb'19	92.08	74.89	75.02	121.46	633.82	68.33	-	-	-
Mar'19	101.95	82.91	76.21	134.48	701.73	75.65	374.17	51.23	202.69

c) The below table discloses the default of the company in payment of interest on working capital loans availed by the Company:
₹ in Lakhs

Months	HDFC Bank	Syndicate Bank	Standard Chartered Bank	Edelweiss ARC Ltd.	DBS Bank	Bank of Baroda	State Bank of India	AXIS Bank
Nov'17	54.24	27.12	-	-	-	-	-	-
Dec'17	56.05	28.02	42.04	30.78	-	-	-	-
Jan'18	56.05	28.02	42.04	30.78	-	-	-	-
Feb'18	50.63	25.31	37.96	28.61	-	-	-	-
Mar'18	56.05	28.02	42.04	30.78	12.37	28.02	195.96	37.83
Apr'18	54.24	27.12	40.68	29.73	24.89	27.12	198.23	36.61
May'18	56.05	28.02	42.04	30.78	26.74	28.02	209.12	37.83
Jun'18	54.24	27.12	40.68	29.73	25.88	27.12	202.27	36.61
Jul'18	56.05	28.02	42.04	30.78	19.53	28.02	208.00	37.83
Aug'18	56.05	28.02	42.04	30.78	19.53	28.02	208.00	37.83
Sept'18	54.24	27.12	40.68	29.73	18.45	27.12	201.00	36.61
Oct'18	56.05	28.02	42.04	30.78	19.53	28.02	208.00	37.83
Nov'18	54.24	27.12	40.68	29.73	18.45	27.12	202.00	36.61
Dec'18	56.05	28.02	42.04	30.78	19.53	28.02	208.00	37.83
Jan'19	56.05	28.02	42.04	30.78	19.11	28.02	207.66	37.84
Feb'19	50.63	25.31	34.96	28.61	17.27	25.32	187.56	34.17
Mar'19	41.17	17.96	38.70	16.09	2.45	24.33	107.38	26.70

d) The below table discloses the list of LC Bills not honored by the company as on March 31, 2019:
₹ in Lakhs

Months	HDFC Bank	Syndicate Bank	Axis Bank	DBS Bank Limited	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	-	-
APRIL'18	153.72	25.19	-	283.61	-
May'18	-	-	254.18	803.21	-
JUNE'18	-	-	72.20	281.71	15.91
JULY'18	-	-	7.80	-	584.46
AUG'18	-	-	-	-	610.58
SEPT'18	-	-	-	-	215.76

Annexure 'A' to the Independent Auditors' Report

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

₹ in Lakhs

Particulars	February, 2018	November, 2018	February, 2019
Life Corporation of India	1,040.00	1,040.00	1,040.00

- ix. The company did not raise any money by way of initial public offer or further public offer including debt instruments and term loan during the year.
- x. During the course of our examination of books of account 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 on the Company by its officers or employees nor have we been informed of any such cases by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not paid any remuneration to the Chairman & Managing Director and Vice Chairman & Managing Director accordingly, the provisions of section 197 of the Act read with Schedule V of the Act is not applicable on the Company. The Company has paid Rs. 1,818 lakhs in excess of the prescribed limits under the aforementioned section & schedule in earlier years however, the approval of which is pending.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

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

Chandi Prosad Bagchi
Partner
Membership No. 052626

4th Floor, Systron Building
Plot J5, Block EP & GP
Sector V, Salt Lake, Kolkata - 91
Date: 17th May, 2019

For J K V S & CO
(Formerly Jitendra K Agarwal & Associates)
Chartered Accountants
Firm Registration No.318086E

Abhishek Mohta
Partner
Membership No.066653

5A, Nandlal Jew Road
Kolkata - 26
Date: 17th May, 2019

Annexure "B" to the Independent Auditors' Report

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

Report on the Internal Financial Controls with reference to financial statement 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 statement of Hindusthan National Glass & Industries Ltd. ("the Company") as of March 31, 2019 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

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls 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 Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 respective 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 statement 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 financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 judgement, 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 system with reference to financial statement.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to financial statement 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 statement includes those policies and procedures that 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.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statement, including the possibility

Annexure 'B' to the Independent Auditors' Report

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 over financial reporting to future periods are subject to the risk that the internal financial control with reference to financial statement 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 with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2019, based on the internal control with reference to financial statement 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 issued by the Institute of Chartered Accountants of India (ICAI).

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

Chandi Prosad Bagchi
Partner
Membership No. 052626

4th Floor, Systron Building
Plot J5, Block EP & GP
Sector V, Salt Lake, Kolkata - 91
Date: 17th May, 2019

For J K V S & CO
(Formerly Jitendra K Agarwal & Associates)
Chartered Accountants
Firm Registration No.318086E

Abhishek Mohta
Partner
Membership No.066653

5A, Nandlal Jew Road
Kolkata - 26
Date: 17th May, 2019

Balance Sheet as at 31st March 2019

₹ in Lakhs

Particulars	Note No.	As at 31st March 2019	As at 31st March, 2018
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	2.1.A	2,03,539.52	2,14,421.97
(b) Capital Work-in-Progress		11,024.45	12,462.37
(c) Intangible Assets	2.1.B	153.75	209.56
(d) Financial Assets			
(i) Investments	2.2	167.57	3,627.29
(ii) Other Financial Assets	2.3	2,391.43	2,275.53
(e) Other Non-Current Assets	2.4	352.99	825.14
		2,17,629.71	2,33,821.86
2. Current Assets			
(a) Inventories	2.5	38,226.27	48,501.69
(b) Financial Assets			
(i) Trade Receivables	2.6	36,873.33	39,459.79
(ii) Cash and Cash Equivalents	2.7.A	15,544.47	680.95
(iii) Bank Balances other than (ii) above	2.7.B	1,766.22	81.33
(iv) Loans	2.8	6.47	8.95
(v) Other Financial Assets	2.9	1,112.83	1,832.85
(c) Current Tax Assets (Net)	2.10	359.52	331.07
(d) Other Current Assets	2.11	6,355.79	6,822.65
		1,00,244.90	97,719.28
		3,17,874.61	3,31,541.14
Total Assets			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.12	1,791.07	1,791.07
(b) Other Equity	2.13	(3,945.53)	12,873.91
Total Equity		(2,154.46)	14,664.98
LIABILITIES			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.14	1,56,413.01	1,64,758.64
(ii) Other Financial Liabilities	2.15	332.35	330.46
(b) Provisions	2.16	1,015.84	1,012.91
(c) Deferred Tax Liabilities (Net)	2.17	-	-
(d) Other Non-Current Liabilities	2.18	2,247.00	711.98
		1,60,008.20	1,66,813.99
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.19	30,642.29	59,753.50
(ii) Trade Payables	2.20		
Total Outstanding dues of Micro Enterprises & Small Enterprises		697.05	750.76
Total Outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		36,432.51	44,700.24
(iii) Other Financial Liabilities	2.21	84,244.10	37,368.92
(b) Other Current Liabilities	2.22	7,173.07	6,787.93
(c) Provisions	2.23	831.85	700.82
		1,60,020.87	1,50,062.17
Total Liabilities		3,20,029.07	3,16,876.16
Total Equity and Liabilities		3,17,874.61	3,31,541.14

Summary of Significant Accounting Policies
Notes on Financial Statements

The notes are an integral part of the Financial Statements.

As per our report of even date
For **Doshi Chatterjee Bagri & Co LLP**
Chartered Accountants
FRN : 325197E/E300020

Chandi Prosad Bagchi
Partner
Membership No. 052626
Place : Kolkata
Date : 17th May 2019

For **JKVS & CO**
(Formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
FRN : 318086E

Abhishek Mohta
Partner
Membership No. 066653
Place : Kolkata
Date : 17th May, 2019

1
2.1 to 2.48

For and on behalf of the Board

Sanjay Somany
Chairman and Managing Director
DIN: 00124538

Mukul Somany
Vice Chairman and Managing Director
DIN: 00124625

Bimal Kumar Garodia
President and
Chief Financial Officer

Lalit Lohia
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2019

₹ in Lakhs

Particulars	Note No.	Year Ended 31st March 2019	Year Ended 31st March 2018
Revenue			
I. Revenue from Operations	2.24	2,40,352.02	2,01,330.95
II. Other Income	2.25	707.74	510.38
III. Total Income (I+II)		2,41,059.76	2,01,841.33
Expenses			
Cost of Materials Consumed	2.26	70,380.67	58,969.61
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.27	8,106.08	8,124.88
Excise Duty on Sale of Goods		-	5,327.06
Employee Benefit Expenses	2.28	20,611.61	19,967.70
Depreciation and Amortization Expense	2.1.A & 2.1.B	15,852.78	16,093.44
Finance Costs	2.30	25,256.57	25,185.28
Other Expenses	2.29	1,27,639.11	97,988.53
IV. Total Expenses		2,67,846.82	2,31,656.50
V. Loss before Exceptional Items and Tax (III - IV)		(26,787.06)	(29,815.17)
VI. Exceptional Items	2.31	9,516.99	-
VII. Loss before Tax (V+VI)		(17,270.07)	(29,815.17)
VIII. Tax Expense:			
Income Tax for Earlier Years		24.99	(363.85)
Tax expense		24.99	(363.85)
IX. Loss for the year after Tax (VII-VIII)		(17,295.06)	(29,451.32)
X. Other Comprehensive Income			
A Items that will not be reclassified to Profit or Loss			
Re-measurement gains on Defined Benefit Plans		16.42	53.27
Income tax thereon		-	-
		16.42	53.27
XI. Total Comprehensive Income for the year (XII+XIII)		(17,278.64)	(29,398.05)
XII. Earnings per equity share			
(1) Basic	2.32	(19.31)	(33.36)
(2) Diluted	2.32	(19.31)	(33.36)
Number of shares used in computing earnings per share			
(1) Basic		8,95,53,565	8,82,91,318
(2) Diluted		8,95,53,565	8,82,91,318

Summary of Significant Accounting Policies
Notes on Financial Statements

1
2.1 to 2.48

The notes are an integral part of the Financial Statements.

As per our report of even date
For **Doshi Chatterjee Bagri & Co LLP**
Chartered Accountants
FRN : 325197E/E300020

For **JKVS & CO**
(Formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
FRN : 318086E

Chandi Prosad Bagchi
Partner
Membership No. 052626
Place : Kolkata
Date : 17th May 2019

Abhishek Mohta
Partner
Membership No. 066653
Place : Kolkata
Date : 17th May, 2019

For and on behalf of the Board

Sanjay Somany
Chairman and Managing Director
DIN: 00124538

Mukul Somany
Vice Chairman and Managing Director
DIN: 00124625

Bimal Kumar Garodia
President and
Chief Financial Officer

Lalit Lohia
Company Secretary

Statement of Changes in Equity for the year ended 31st March 2019

(a) Equity Share Capital

₹ in Lakhs

Particulars	Note No.	Number of Shares	Amount in Lakhs
Equity Shares of Rs. 2/- each issued, subscribed and fully paid up			
As at 1st April 2017		8,73,38,565	1,746.77
Changes in Equity Share Capital	2.12	22,15,000	44.30
As at 31st March 2018		8,95,53,565	1,791.07
Changes in Equity Share Capital		-	-
As at 31st March 2019		8,95,53,565	1,791.07

(b) Other equity

Particulars	Share application money pending allotment	Reserves and Surplus					Total
		Capital Reserve	Security Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained earnings	
Balance at 1st April 2017	-	5,595.85	5,823.09	5,000.00	69,573.88	(48,261.61)	37,731.21
Issue of Equity Shares	-	-	4,540.75	-	-	-	4,540.75
Share Application Money Received during the year	4,585.05	-	-	-	-	-	4,585.05
Shares Allotted during the year	(4,585.05)	-	-	-	-	-	(4,585.05)
Transfer/Adjustments during the year	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	(29,451.32)	(29,451.32)
Remeasurement of retirement benefit plan (net of taxes)	-	-	-	-	-	53.27	53.27
Total comprehensive income for the year	-	-	4,540.75	-	-	(29,398.05)	(24,857.30)
Balance at 31st March, 2018	-	5,595.85	10,363.84	5,000.00	69,573.88	(77,659.66)	12,873.91
Issue of Equity Shares	-	-	-	-	-	-	-
Share Application Money Received during the year	-	-	-	-	-	-	-
Shares Allotted during the year	-	-	-	-	-	-	-
Transfer/Adjustments during the year	-	459.20	-	-	-	-	459.20
Profit/(Loss) for the year	-	-	-	-	-	(17,295.06)	(17,295.06)
Remeasurement of retirement benefit plan (net of taxes)	-	-	-	-	-	16.42	16.42
Total comprehensive income for the year	-	459.20	-	-	-	(17,278.64)	(16,819.44)
Balance at 31st March, 2019	-	6,055.05	10,363.84	5,000.00	69,573.88	(94,938.30)	(3,945.53)

Refer Note No. 2.13 for nature and purpose of reserves

Summary of Significant Accounting Policies

1

Notes on Financial Statements

2.1 to 2.48

The notes are an integral part of the Financial Statements.

As per our report of even date
For **Doshi Chatterjee Bagri & Co LLP**
Chartered Accountants
FRN : 325197E/E300020

Chandi Prasad Bagchi
Partner
Membership No. 052626
Place : Kolkata
Date : 17th May 2019

For **JKVS & CO**
(Formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
FRN : 318086E

Abhishek Mohta
Partner
Membership No. 066653
Place : Kolkata
Date : 17th May, 2019

For and on behalf of the Board

Sanjay Somany
Chairman and Managing Director
DIN: 00124538

Mukul Somany
Vice Chairman and Managing Director
DIN: 00124625

Bimal Kumar Garodia
President and
Chief Financial Officer

Lalit Lohia
Company Secretary

Statement of Cash Flow for the year ended 31st March 2019

₹ in Lakhs

Particulars	Note No.	For the Year ended 31st March 2019	For the Year ended 31st March 2018
Cash Flow from Operating activities			
Loss before tax		(17,270.07)	(29,815.17)
Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows			
Depreciation/Amortisation		15,852.77	16,093.43
Loss/(profit) on sale/discard of Property Plant and Equipment		678.96	298.46
Bad Debts and Impairment allowances for trade receivables		273.47	98.39
Interest Income		(173.56)	(128.82)
Dividend Income on Non current Investments		(1.42)	(1.67)
Net Loss/(Gain) on sale of Current Investments		-	-
Finance Costs		25,256.57	25,185.28
Liability no longer required written back		(1,158.45)	(903.13)
Operating Cash flow before exceptional items and working capital changes		23,458.27	10,826.77
Less: exceptional items			
Profit on sale of investment in subsidiary (Refer Note No. 2.32)		(9,516.99)	-
Operating cash flow before working capital changes		13,941.28	10,826.77
Movement in working capital :			
Increase/(Decrease) in Trade Payables and Other Liabilities		(5,152.83)	(1,012.57)
Decrease/(Increase) in Trade Receivables		2,313.00	438.90
Decrease/(Increase) in Inventories		10,275.42	11,590.55
Decrease/(Increase) in Loans and Advances		1,042.26	2,711.04
Cash generated from Operations		22,419.13	24,554.69
Direct taxes (paid)/Refunds (net)		(53.44)	334.95
Net Cash Flow from Operating activities (A)		22,365.69	24,889.65
Cash Flow from Investing activities			
Purchase of Property Plant and Equipment, intangible assets, Capital Work in Progress and Capital Advances		(2,287.27)	(4,981.43)
Proceeds from sale of Property Plant and Equipment		407.24	498.35
Proceeds from sale of investment in subsidiary		12,976.71	-
Sale/(Purchase) of current investment		-	-
Redemption /(Investment) in bank deposits with maturity more than 3 months		(1,684.91)	9.71
Interest received		182.74	201.30
Dividend received from Non Current Investments		1.42	1.67
Net Cash Flow from/(used in) Investing activities (B)		9,595.93	(4,270.40)

Statement of Cash Flow for the year ended 31st March 2019

₹ in Lakhs

Cash Flow from Financing activities			
Proceeds from borrowings		8,000.00	-
Repayment of borrowings		(23,882.13)	(4,001.33)
Proceeds from Issue of Equity Shares			4,585.05
Interest paid		(1,215.97)	(21,054.16)
Net Cash Flow used in Financing activities (C)		(17,098.12)	(20,470.44)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		14,863.50	148.80
Cash and cash equivalents at the beginning of the year		680.95	532.15
Cash and cash equivalents at the end of the year		15,544.47	680.95
Components of Cash and Cash Equivalents			
Balances with banks:			
In current accounts		15,535.37	669.94
In deposit accounts (With original maturity of less than 3 months)		1.68	1.10
In dividend accounts		0.45	0.69
Cash in hand		6.97	9.22
Total cash and cash equivalents	2.8.A	15,544.47	680.95

Summary of Significant Accounting Policies

1

Notes on Financial Statements

2.1 to 2.48

The notes are an integral part of the Financial Statements.

As per our report of even date

For **Doshi Chatterjee Bagri & Co LLP**

Chartered Accountants

FRN : 325197E/E300020

Chandi Prosad Bagchi

Partner

Membership No. 052626

Place : Kolkata

Date : 17th May 2019

For **JKVS & CO**

(Formerly Jitendra K. Agarwal & Associates)

Chartered Accountants

FRN : 318086E

Abhishek Mohta

Partner

Membership No. 066653

Place : Kolkata

Date : 17th May, 2019

For and on behalf of the Board

Sanjay Somany

Chairman and Managing Director

DIN: 00124538

Mukul Somany

Vice Chairman and Managing Director

DIN: 00124625

Bimal Kumar Garodia

President and

Chief Financial Officer

Lalit Lohia

Company Secretary

Notes to Financial Statements as at and for the year ended 31st March 2019

1. Summary of Significant Accounting Policies

1. Corporate Information

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 manufacture of container glass. The company's shares are listed and publicly traded on the National Stock Exchange Limited (NSE), the Bombay Stock Exchange Limited (BSE) and The Calcutta Stock Exchange Limited (CSE).

2. Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

3. Significant Accounting Policies

A. Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on the accrual basis except for Free hold and Lease hold land under Property, Plant and Equipment which on the date of transition have been fair valued to be considered as deemed costs and certain financial instruments that are measured in terms of relevant Ind AS at fair values/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

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 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.

B. 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, 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 the 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.

Notes to Financial Statements as at and for the year ended 31st March 2019

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.

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

Depreciation on PPE commences when the assets are ready for their intended use.

- (i) Depreciation has been provided (a) as per the useful life specified under Schedule II to the Companies Act, 2013 on assets installed/acquired up to March 31, 1990 on written down value method and in respect of additions thereafter on straight line method; (b) in case of certain items of Plants and Equipments 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 Companies Act, 2013.
- (ii) Certain Plant and Equipments have been considered as continuous process plant as defined under Schedule II to the Companies Act, 2013 on the basis of technical evaluation.
- (iii) Subsequent costs are depreciated over the remaining life of the plant and equipment.
- (iv) Depreciation on incremental cost of arising on account of exchange difference is amortised on straight line method over the remaining life of the asset.

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
Carpeted Roads	10
Plants and equipments	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.

C. 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. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

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

D. Derecognition of Tangible and Intangible Assets

An item of PPE 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 of PPE 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.

E. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct cost of the lessee is

Notes to Financial Statements as at and for the year ended 31st March 2019

added to the amount recognized as an asset. Each Lease payment is apportioned between finance charge and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease arrangement are structured to increase in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

F. 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.

G. 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.

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.

(i) 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 balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial 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 and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including

Notes to Financial Statements as at and for the year ended 31st March 2019

all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial 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.

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

Financial assets are measured at fair value through other comprehensive income 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.

(iv) For the purpose of para (ii) and (iii) above, 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.

(v) 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 the policies of the Company which are approved by the Board of Directors 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 as 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 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 assets 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.

Notes to Financial Statements as at and for the year ended 31st March 2019

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.

H. Inventories

- (i) Inventories are valued at lower of the cost or estimated net realizable value. 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.
- (ii) 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 excise duty.

I. Foreign Currency Transactions

Presentation currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions and balances:

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 year-end exchange rates. 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 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 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."

J. 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.

Notes to Financial Statements as at and for the year ended 31st March 2019

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

K. 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.

L. Employee Benefits

Short term Employee benefits are accrued in the year services are rendered by the employees.

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 Employee's Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

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 to 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 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.

M. Revenue

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.

Notes to Financial Statements as at and for the year ended 31st March 2019

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.

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.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) – ‘Revenue from contracts with customers’ using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

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.

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 of 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 realisation.

N. 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.

O. 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.

P. 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 Account under “Other 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 is 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 receives 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.

Q. 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.

Notes to Financial Statements as at and for the year ended 31st March 2019

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.

R. Earnings Per Share

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

S. 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.

T. Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

U. Measurement of EBITDA

The company presents earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

Notes to Financial Statements as at and for the year ended 31st March 2019

V. Standards issued but not effective:

The standards issued but not yet effective up to the date of issuance of the Company's financial Statements is disclosed below. The company intends to adopt this Standard when it becomes effective.

Standard	Description
Ind AS 19, Employee Benefits	The amendment clarifies the accounting for defined benefit plans on plan amendment, curtailment and settlement.
Ind AS 28, Investment in Associates and Joint Ventures	The amendment clarifies the accounting for the share of losses of an associate or joint venture after the equity interest has been reduced to nil.
Ind AS 109, Financial Instruments	The amendments enable entities to measure certain financial assets with prepayment features that may yield a negative compensation on prepayment.
Ind AS 103, Business Combinations and Ind AS 111, Joint Arrangements	Additional guidance was provided on acquisition accounting, where an entity obtained control of a joint operation (Ind AS 103), or where a participant in a joint control, obtained joint control over the same (Ind AS 111)
Ind AS 23, Borrowing Costs	The amendment clarifies the borrowing costs to be considered for finalisation.
Ind AS 12, Income Taxes – Annual Improvements	The amendment clarifies the accounting for income tax consequences on distribution of profits
Inserted Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments	The appendix provides clarification on the accounting for income taxes, when there is uncertainty over income tax treatments.
Ind AS 116, Leases	The Standard sets out the principles for the recognition, de recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. This standard shall come into force on 01 st day of April, 2019. The management has assessed no material impact of the introduction of the standard on the financial statements.

W. 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.
- **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

Notes to Financial Statements as at and for the year ended 31st March 2019

- **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 2019

2.1.A PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Property Plant and Equipment							Total	
	Freehold Land	Leasehold Land	Buildings	Leasehold Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles		Office Equipments
(A) Gross Carrying Value									
As at 1st April 2017	34,713.42	5,379.78	66,801.74	9.18	2,89,892.34	641.15	3,181.25	561.14	4,01,180.00
Additions	-	-	684.78	-	1,089.81	5.42	54.05	42.26	1,876.32
Disposals / deductions	(29.83)	-	(439.27)	-	(1,802.61)	-	(634.74)	(28.03)	(2,934.48)
Other adjustments									
Foreign Exchange differences					227.65				227.65
As at 31st March 2018	34,683.59	5,379.78	67,047.25	9.18	2,89,407.19	646.57	2,600.56	575.37	4,00,349.49
Additions	-	-	898.38	-	2,657.79	2.13	0.03	17.32	3,575.65
Disposals / deductions	(103.66)	-	(11.28)	-	(5,424.20)	(16.73)	(88.77)	(49.10)	(5,693.74)
Other adjustments									
Foreign Exchange differences					2,420.31				2,420.31
As at 31st March 2019	34,579.93	5,379.78	67,934.35	9.18	2,89,061.09	631.97	2,511.82	543.59	4,00,651.71
(B) Accumulated Depreciation									
As at 1st April 2017	-	258.09	13,440.15	1.53	1,54,937.19	441.35	2,440.47	513.11	1,72,031.89
Charge for the year	-	65.49	1,915.60	0.15	13,729.94	43.77	261.08	18.52	16,034.55
Deductions	-	-	(35.87)	-	(1,502.13)	-	(574.18)	(26.74)	(2,138.92)
As at 31st March 2018	-	323.58	15,319.88	1.68	1,67,165.00	485.12	2,127.37	504.89	1,85,927.52
Charge for the year	-	65.48	1,928.67	0.15	13,542.13	39.90	197.92	17.97	15,792.22
Deductions	-	-	(10.72)	-	(4,456.00)	(12.60)	(82.85)	(45.38)	(4,607.55)
As at 31st March 2019	-	389.06	17,237.83	1.83	1,76,251.13	512.42	2,242.44	477.48	1,97,112.19
(C) Net Block (A-B)									
As at 31st March 2018	34,683.59	5,056.20	51,727.37	7.50	1,22,242.19	161.45	473.19	70.48	2,14,421.97
As at 31st March 2019	34,579.93	4,990.72	50,696.52	7.35	1,12,809.96	119.55	269.38	66.11	2,03,539.52

2.1.A.1 Building includes ₹ 1,144.89 lakhs (PY ₹ 1,144.89 Lakhs) for acquiring Equity Shares in a body corporate. By virtue of acquiring the Shares, the Company has right to use and occupy certain office space.

2.1.A.2 Refer Note 2.14.6 and 2.19.1 to Financial Statements in respect of charges created.

2.1.A.3 The Company has capitalised/decapitalised exchange loss/gain respectively arising on long-term foreign currency loan. Accordingly, exchange loss amounting to ₹ 2420.31 Lakhs (Previous year exchange gain ₹ 227.65 Lakhs) has been adjusted to the cost of Plant and Equipments. The unamortised amount as on March 31, 2019 ₹ 6885.65 Lakhs (March 31, 2018 : ₹ 5190.75 Lakhs).

Notes to Financial Statements as at and for the year ended 31st March 2019

2.1.B INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Computer Softwares
(A) Gross carrying value	
As at 1st April 2017	1,649.02
Additions	-
Disposals / deductions	(253.33)
As at 31st March 2018	1,395.69
Additions	4.75
Disposals / deductions	(2.88)
As at 31st March 2019	1,397.56
(B) Accumulated Amortisation	
As at 1st April 2017	1,379.32
Charge for the year	58.88
Deductions	(252.07)
As at 31st March 2018	1,186.13
Charge for the year	60.56
Deductions	(2.88)
As at 31st March 2019	1,243.81
(C) Net Block (A-B)	
As at 31st March 2018	209.56
As at 31st March 2019	153.75

2.2 INVESTMENTS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Investments valued at cost			
Joint Venture - Fully paid-up Equity Shares of Rs. 10 each			
HNG Float Glass Limited		-	3,459.30
NIL(Previous Year - 3,45,93,005) number of shares			
Investments at fair value through profit or loss			
Unquoted Equity Instruments			
Other Bodies Corporate - Fully paid-up Equity Shares			
Brabourne Commerce Private Limited of Rs. 10 each 107 (Previous Year - 107) number of shares		0.09	0.09
The Calcutta Stock Exchange Association Limited of Re. 1 each 8,364 (Previous Year - 8,364) number of shares		167.28	167.28
Capexil Agencies Limited of Rs. 1,000 each 5 (Previous Year - 5) number of shares		0.05	0.05
Government Securities at amortised cost			
National Savings Certificates		0.15	0.57
		167.57	3,627.29

2.2.1 Aggregate amount of unquoted investment

167.57

3,627.29

Notes to Financial Statements as at and for the year ended 31st March 2019

2.3 OTHER NON CURRENT FINANCIAL ASSETS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Unsecured, Considered good			
At amortised cost			
Deposits with Bank (having maturity of more than 12 months)	2.3.1	2.95	2.79
Security Deposits		2,388.48	2,006.89
Derivative instruments at fair value through profit or loss			
Receivable on account of Derivative Contract		-	265.85
		2,391.43	2,275.53

2.3.1 Deposit with Banks are pledged with the Government Authorities.

2.4 OTHER NON-CURRENT ASSETS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Capital Advances		306.46	800.63
Prepaid Expenses		46.53	24.51
		352.99	825.14

2.5 INVENTORIES (Valued at lower of cost or Net Realisable Value)

(Value taken and certified by the management)

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Raw Materials	2.5.1	6,509.31	7,827.83
Work in Progress		530.97	769.62
Finished Goods		16,278.06	24,145.49
Stores and Spare	2.5.2, 2.5.3 & 2.5.4	13,537.85	14,229.72
Packing Materials	2.5.4	1,370.08	1,529.03
		38,226.27	48,501.69

2.5.1 Above include Material in Transit :

Particulars	As at 31st March 2019	As at 31st March 2018
Raw Materials	3,001.74	2,331.25
Stores and Spares	148.57	279.46
Packing Materials	3.04	2.57

2.5.2 Inventories of Stores and Spare Parts include certain slow moving, non-moving and obsolete items. An impairment allowance of ₹ 1,054.9 Lakhs (Previous year - ₹ 893.97 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 is required there against.

2.5.3 Stores & Spares includes items lying with third parties.

2.5.4 Refer Note 2.14.6 and 2.19.1 to Financial Statements in respect of charge created.

Notes to Financial Statements as at and for the year ended 31st March 2019

2.6 TRADE RECEIVABLES

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Unsecured			
Considered Good		36,873.33	39,459.79
Considered Doubtful		413.13	176.31
Less: Impairment Allowances for receivables	2.6.4	(413.13)	(176.31)
		36,873.33	39,459.79

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

2.6.2 There are no customers who represent more than 10% of the total balance of trade receivables as at the end of the reporting period.

2.6.3 Trade receivables are non-interest bearing and are generally on terms of 30 days. The ageing of receivables are as follows:

Particulars	As at 31st March 2019	As at 31st March 2018
Within Credit Period	27,646.46	26,414.63
1 to 90 days past due	6,940.62	11,282.10
91 to 180 days past due	1,117.89	1,079.40
More than 180 days past due	1,581.49	859.97
	37,286.46	39,636.10

2.6.4 Movement of Impairment allowances for receivables

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at Beginning of the year	176.31	243.51
Add: Impairment Allowance recognised during the year	273.46	98.39
Add/Less: Impairment Allowance adjusted during the year	(36.64)	(165.59)
Balance at the end of the year	413.13	176.31

2.6.5 Credit quality of a customer is assessed based on an appraisal of customer creation form 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 Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several geographical locations.

Notes to Financial Statements as at and for the year ended 31st March 2019

2.7.A CASH AND CASH EQUIVALENTS

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Balances with banks:			
In Current accounts	2.7.A.1	15,535.37	669.94
In Deposit accounts (With original maturity of less than 3 months)		1.68	1.10
In Dividend accounts	2.7.A.2	0.45	0.69
Cash in hand		6.97	9.22
		15,544.47	680.95

2.7.A.1 Balance under Current accounts includes an amount of ₹ 5,898.43 Lakhs (Previous Year - NIL) not available for the company as the same needs to be paid to the secured lenders as per the terms of the resolution plan as described in Note No. 2.14.8

2.7.A.2 Balance with banks on unpaid dividend account represents monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

2.7.B OTHER BALANCES WITH BANKS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
In deposit accounts (With original maturity more than 3 months but less than 12 months)	2.7.B.1	1,766.22	81.33
		1,766.22	81.33

2.7.B.1 Deposit amounting to ₹ 0.65 lakhs with Banks are pledged with the Government Authorities.

2.8 CURRENT ASSETS - LOANS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
At Amortised Cost			
Unsecured, Considered good			
Loan to Employees		6.47	8.95
		6.47	8.95

2.8.1 The loan to employees are recoverable in monthly installments within a period of 6 Months.

2.9 OTHER CURRENT FINANCIAL ASSETS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
At Amortised Cost			
Unsecured, Considered good			
Security Deposits		0.21	3.21
Interest receivable		104.49	113.67
State Incentives	2.9.1	785.47	624.92
Others	2.9.2	222.66	293.51
Derivative instruments at fair value through Profit or Loss			
Receivable on account of Derivative Contract		-	797.54
		1,112.83	1,832.85

Notes to Financial Statements as at and for the year ended 31st March 2019

2.9.1 State incentive 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) ₹ 681.65 Lakhs (Previous Year - ₹ 521.09 Lakhs) as Industrial Promotion Assistance.

2.9.2 Includes:

- (i) Insurance Claim Receivable ₹ 34.35 Lakhs (Previous Year - ₹ 75.75 Lakhs)

2.10 CURRENT TAX ASSETS (NET)

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Advance Income Tax		2,381.38	2,352.93
Less: Provision for Tax		(2,021.86)	(2,021.86)
		359.52	331.07

2.11 OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Considered Good			
Balances / Deposit with Government Authorities		4,333.36	4,664.07
Prepaid expenses		375.76	419.86
Advance to Suppliers			
Considered Goods		1,565.76	1,671.03
Considered Doubtful		315.57	123.55
		(315.57)	(123.55)
Less: Impairment Allowances for advances	2.11.1	1,565.76	1,671.03
Other Assets		80.91	67.69
		6,355.79	6,822.65

2.11.1 Movement of Impairment Allowance for Advances

₹ in Lakhs

Particulars	As at 31st March 2019	As at 31st March 2018
Balance at Beginning of the year	123.55	88.02
Add: Impairment Allowances recognised during the year	192.02	35.53
Balance at the end of the year	315.57	123.55

2.12 EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019		As at 31st March 2018	
		Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital - Equity Shares of ₹ 2/- each		2,55,75,00,000	51,150.00	2,55,75,00,000	51,150.00
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
			1,791.07		1,791.07

Notes to Financial Statements as at and for the year ended 31st March 2019

2.12.1 The Company has only one class of Equity shares having a par value of Rs. 2 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after discharge of all liabilities, in proportion of their shareholding.

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

Particulars	2018-19	2017-18
Opening Number of Shares	8,95,53,565	8,73,38,565
Add: Number of Shares issued during the year	-	22,15,000
Closing Number of Shares	8,95,53,565	8,95,53,565

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

Name of Share Holders	Number of Shares held 31st March 2019	% of holding as at 31st March 2019	Number of Shares held 31st March 2018	% of holding as at 31st March 2018
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%
Dilip S Damle (Trustee HNG Trust and ACE Trust)	1,06,91,600	11.94%	1,06,91,600	11.94%
Ironwood Investment Holdings	63,48,025	7.09%	63,48,025	7.09%
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%

2.12.4 The above shareholding represents both legal and beneficial shareholding.

2.13 OTHER EQUITY

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Capital Reserve	2.13.1	6,055.05	5,595.85
Securities Premium Reserve	2.13.2	10,363.84	10,363.84
Debenture Redemption Reserve	2.13.3	5,000.00	5,000.00
General Reserve	2.13.4	69,573.88	69,573.88
Retained Earnings	2.13.5	(94,938.30)	(77,659.66)
		(3,945.53)	12,873.91

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

2.13.1 Capital Reserve comprises of:

₹ in Lakhs

i) Reserve arising on merger of Glass Equipments India Limited and Quality Minerals Limited with effect from 1st April 2014.	2.90	2.90
ii) Receipts from the trust	6,052.15	5,592.95

A. 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 March 19, 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 Rs. 2/- each w.e.f. 13/11/2009) are 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

Notes to Financial Statements as at and for the year ended 31st March 2019

mentioned above, the book value of Rs. 6,014.85 Lakhs of these investments has been shown as deduction from Share Holders Fund and thereby General Reserve is adjusted to that extent. Receipt from the Trusts on account of beneficial interest is credited to Capital reserve. One of the secured Lenders M/s L & T Finance Ltd. has invoked 37,94,360 and 1,55,640 equity shares held under pledge from M/s ACE Trust and M/s HNG Trust respectively and sold 5,39,183 equity shares out of the shares so invoked.

- 2.13.2 Securities Premium Reserve represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of securities premium.
- 2.13.3 Debenture Redemption Reserve represents the statutory reserve for non-convertible debentures issued by the Company. The company is required to create a debenture redemption reserve out of the profits available for payment of dividend in terms of Section 71 of the Companies Act, 2013 which is 25% of the face value of the debentures issued and outstanding. The reserve will be released on redemption of the debentures.
- 2.13.4 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 Companies Act, 2013.
- 2.13.5 Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company. It includes Rs. 30,988.09 Lakhs (Previous Year - 31,060.23 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.

2.14 BORROWINGS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019		As at 31st March 2018	
		Non Current	Current Maturities	Non Current	Current Maturities
At Amortised Cost					
Secured Loans					
a) Debentures					
10.40% Redeemable Non Convertible Debentures	2.14.1, 2.14.6 (A) and 2.14.6 (E)	17,972.88	–	19,943.62	–
b) Term Loans					
From Banks	2.14.2, 2.14.6 (B), 2.14.6 (D) and 2.14.6 (E)	1,07,682.39	47,824.25	1,29,112.82	25,582.12
From a Financial Institution	2.14.3, 2.14.6 (B) and 2.14.6 (E)	7,500.73	492.71	8,142.73	729.18
From Other	2.14.4, 2.14.6(C), 2.14.6 (D) and 2.14.6 (E)	15,257.01	3,535.11	7,559.47	2,005.21
Unsecured Loans					
c) Term Loans					
From Related Parties	2.14.8 & 2.37.11 (d)	8,000.00	–	–	–
d) Deferred Payment Liabilities					
Sales Tax Deferment Loan	2.14.5	–	202.02	–	202.02
		1,56,413.01	52,054.09	1,64,758.64	28,518.53

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

	2018-19	2017-18
2.14.1 Security and repayment details of Non Convertible Debentures at unamortised cost outstanding as on 31st March 2019 are as follows:		
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. However, there is a put and call option available to the issuer and investor respectively which can be exercised at the end of seventh year from the deemed date of allotment.	9,007.13	10,000.00
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. However, there is a put and call option available to the issuer and investor respectively which can be exercised at the end of seventh year from the deemed date of allotment.	9,007.13	10,000.00

2.14.2 Repayment details of Term Loans from Banks at unamortised cost outstanding as on 31st March 2019 are as follows:

₹ in Lakhs

Financial Year	Foreign Currency Term Loan	Effective Interest: 9.35%- 11.00% p.a	Total
2017-2018 *	1,889.45	3,912.04	5,801.49
2018-2019 *	9,418.00	9,340.80	18,758.80
2019-2020	11,772.50	11,491.50	23,264.00
2020-2021	17,658.75	14,909.80	32,568.55
2021-2022	10,595.25	14,534.80	25,130.05
2022-2023	-	22,384.00	22,384.00
2023-2024	-	18,884.00	18,884.00
2024-2025	-	8,970.55	8,970.55
Total	51,333.95	1,04,427.49	1,55,761.44

2.14.3 Repayment details of Term Loans from a Financial Institution at unamortised cost outstanding as on 31st March 2019 is as follows:

₹ in Lakhs

Financial Year	Effective Interest: 10.50%-11.00%	Total
2017-2018*	-	-
2018-2019*	-	-
2019-2020	492.71	492.71
2020-2021	917.00	917.00
2021-2022	917.00	917.00
2022-2023	2,200.00	2,200.00
2023-2024	2,200.00	2,200.00
2024-2025	1,281.66	1,281.66
Total	8,008.37	8,008.37

Notes to Financial Statements as at and for the year ended 31st March 2019

2.14.4 Repayment details of Term Loan from Other at unamortised cost outstanding as on 31st March 2019 is as follows: ₹ in Lakhs

Financial Year	Effective Interest: 10.50%-11.00%	Total
2017-2018*	345.45	345.45
2018-2019*	1,355.50	1,355.50
2019-2020	1,834.12	1,834.12
2020-2021	2,352.31	2,352.31
2021-2022	2,196.31	2,196.31
2022-2023	4,145.57	4,145.57
2023-2024	4,145.57	4,145.57
2024-2025	2,418.31	2,418.31
Total	18,793.14	18,793.14

2.14.5 Deferred Sales Tax Loan at unamortised cost outstanding as on 31st March 2019 is interest free and is payable as per the repayment schedule as follows: ₹ in Lakhs

Financial Year	Total
2018-2019*	202.02
Total	202.02

* The Company has defaulted in the Repayment of the Principal Amount.

2.14.6 Nature of Security for borrowings:

- A) 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.
- B) Term loans from Banks and Financial Institution other than a loan of Rs 7,500 Lakhs from a Bank (Refer note - 2.14.6(C) below), 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, save and except vehicles acquired under vehicle finance loan which are exclusively hypothecated in favour of respective lenders.
- C) Term Loan from others represent Loan from Body Corporates. The said Loan and a loan of ₹ 7,500 Lakhs from a Bank (Refer Note - 2.15.6(B) above) 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) Pledge of treasury shares of the Company held by HNG Trust, No of Shares 76,62,490 (Previous Year- 76,62,490) and ACE Trust, No of Shares 63,05,177 (Previous Year- 68,44,360), out of which one of the Lenders M/s L & T Finance Ltd. have invoked 1,55,640 equity shares held by HNG Trust and 37,94,360 equity shares held by ACE Trust.
- 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.
- F) Immovable properties mentioned in 2.14.6(A),(B)&(C) above excludes certain plots of land amounting to ₹ 3,326 Lakhs.

Notes to Financial Statements as at and for the year ended 31st March 2019

- 2.14.7 (a) Pursuant to RBI guidelines for Framework for Revitalizing Distressed Assets in the Economy, which laid out the detailed guidelines on formation of Joint Lenders Forum (JLF) and Corrective Action Plan (CAP), if 75% of lenders by value and 60% by number are agreeable to CAP, then it shall become binding on all the lenders.

In terms of the CAP approved by JLF, the terms and conditions of the outstanding term loans from Banks and Financial Institutions have been restructured with effect from 1st December, 2014. This inter-alia includes moratorium for repayment of principal for two years and thereafter the aforesaid loans to be repaid over the period of 5 to 8 years depending on the nature of the loan. The said restructuring is, however subject to fulfillment of certain conditions and creation of securities etc. including those given in Note 2.14.7(c) The stipulations also includes conditions relating to infusion of equity by promoters in various periods and fresh valuations of its assets by a valuer registered with Institute of Valuers.

Principal for the quarter ended December 2017, March 2018, June 2018, September 2018, December 2018 & March 2019 amounting to ₹ 26,262.05 Lakhs and Interest (comprising Interest on Term loan and Cash Credit) for November 2017 to March 2019 amounting to ₹ 29,350.37 Lakhs have not been paid. Letter of Credit and interest thereon for November 2017 to March 2019 aggregating to ₹ 6,779.15 lakhs has also not been paid on due dates. Penal interest and other claims aggregating to ₹ 243.76 Lakhs has also not been paid.

- (b) All the loans restructured as above, in addition to their existing securities, have been further secured by pledge of remaining unencumbered promoter shareholding (being 51% of the Company's shareholding) and Personal guarantee of Mr. Sanjay Somany and Mr. Mukul Somany.
- (c) Pursuant to the CAP, lenders shall have a right to convert into Equity upto 20% of the Term Loan outstanding beyond seven years as per SEBI guidelines/ Loan covenants whichever is applicable.

- 2.14.8 The continuous higher financial leverage and lower profitability plagued the financials of the Company. To reduce the leverage, company approached the lenders for compromise settlement pursuant to RBI's circular on Resolution of Stressed Assets – Revised Framework dated 12th February 2018.

Pursuant to the said guidelines, Lenders have agreed for a one time compromise settlement of their dues and entered into a Memorandum of Understanding (MOU) with the Company dated 27 August 2018 and Compromise and Settlement Agreement dated 25th September 2018.

The brief summary of the MOU signed by the Company and the lenders are as follows:

- A. The entire dues (Term Loan, Fund based Working Capital, Letter of Credit and interest thereon) as outstanding as on 28 February, 2018 shall be settled by payment of cash component of ₹ 1,71,000 Lakhs.
- B. Pay out of the non-fund based facilities granted to the borrower amounting to ₹ 22,208 Lakhs or actual amount outstanding.
- C. Issue/transfer 90 lakhs equity shares in favour of secured creditors to be based on total fund based exposure.
- D. The Company needs to pay 5% (i.e., ₹ 8,550 Lakhs) of cash component upfront, 10% (i.e., ₹ 17,100 Lakhs) within 3 days. The balance amount of cash component (i.e., ₹ 1,45,350 Lakhs), allocation of 90 lakh shares and the entire non-fund based liabilities have to be paid by the borrower or 100% margin needs to be kept within 90 days from the execution of MOU.

The last date of payment for compromised amount was 25th November 2018, however Company was unable to make the payment due to the reasons beyond its control. Subsequently, lenders have extended the timeline up to 22 February 2019, which also got elapsed. The lenders have further in principally extended the timeline up to 31st March 2019.

In the meantime one of the lenders have initiated proceedings in National Company Law Tribunal (NCLT), Kolkata Bench on 5th March, 2019 under section 7 of the Insolvency and Bankruptcy Code, 2016.

On 2nd April, 2019 Hon'ble Supreme Court has quashed the RBI's circular on Resolution of Stressed Assets – Revised Framework dated 12th February 2018. The matter being sub-judice, the company has not given any effect of resolution plan in the financial statement.

Notes to Financial Statements as at and for the year ended 31st March 2019

- 2.14.9 The amount of unsecured loan shall be repaid or converted into non-convertible debentures (NCD) on the terms mutually agreed on the expiry of a period of three years from the date of disbursement.
- 2.14.10 The Company has deposited an amount of ₹ 29,000 Lakhs which is 15% of the settlement amount with State Bank of India, as per the terms & conditions of the Memorandum of Understanding (MOU) with the Company dated 27 August 2018 and Compromise and Settlement Agreement dated 25 September 2018.

During the month of March, State Bank of India has appropriated the above amount to all the lenders as per the table below:

Name of Bank /Financial Institution/Others	Amount (in Rs. Lakhs)
State Bank of India	12,775.60
Syndicate Bank	1,297.49
HDFC Bank Limited	1,918.26
Axis Bank Limited	1,568.62
Edelweiss ARC	2,011.08
L & T Finance	224.67
Exim Bank	882.79
LIC	1,985.74
DBS Bank	3,962.90
Rabo Bank	1,455.77
Bank of Baroda	471.18
Standard Chartered Bank	445.90
Total	29,000.00

In absence of detailed documentation from respective lenders for the adjustment of the aforementioned appropriation of the funds, management 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 month post appropriation shall be calculated proportionately after the above adjustment. Accordingly, interest amounting to ₹ 198.76 Lakhs is short booked for the month of March, 2019.

2.15 OTHER NON CURRENT FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
At Amortised Cost			
Retention Money		332.35	330.46
		332.35	330.46

2.16 PROVISIONS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Provision for Employee Benefits		1,015.84	1,012.91
		1,015.84	1,012.91

- 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.

Notes to Financial Statements as at and for the year ended 31st March 2019

2.17 DEFERRED TAX LIABILITIES (NET)

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	Current Year Charge/(Credit) to P/L	As at 31st March 2018
Deferred Tax Liabilities				
Accelerated Tax Depreciation		38,305.42	6,196.00	32,109.42
Gross Deferred Tax Liability		38,305.42	6,196.00	32,109.42
Deferred Tax Assets				
Provision for Post Retirement Benefits and Other Employment Benefits		853.58	(19.70)	873.28
Brought Forward Unabsorbed Depreciation		37,224.50	6,048.28	31,176.21
Impairment Allowances of Trade & Other Receivable		227.35	167.42	59.93
Gross Deferred Tax Asset		38,305.42	6,196.00	32,109.42
Net Deferred Tax Liability		—	—	—

2.17.1	Unrecognised unused Tax Losses and unused Tax credits	As on 31st March 2019
	(i) Unused Tax Losses	15,504.43
	(ii) Unabsorbed depreciation	50,764.08
	(iii) Unused Tax Credits (Minimum Alternate Tax)	3,152.01

- 2.17.2 Carry 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.
- 2.17.3 Since Company has losses, unrecognised unused tax losses and unused tax credits and there is no tax expense, therefore the 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

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Advance received from Customers		2,247.00	711.98
		2,247.00	711.98

2.19 BORROWINGS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Secured Loans			
Working Capital Facilities from Banks (repayable on demand)	2.19.1 & 2.14.7	30,642.29	59,356.26
Buyer's Credit		—	397.24
		30,642.29	59,753.50

Notes to Financial Statements as at and for the year ended 31st March 2019

2.19.1 Working Capital Facilities (Fund Based and Non Fund Based and acceptances as referred to in note no. 2.20.1 below) 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 bankers.

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.

2.20 TRADE PAYABLES

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019	As at 31st March 2018
Payables for goods and services			
Total Outstanding dues of Micro Enterprises & Small Enterprises	2.20.1 & 2.20.2	697.05	750.76
Total Outstanding dues of Creditors other than Micro Enterprises & Small Enterprises		36,432.51	44,700.24
		37,129.56	45,451.00

2.20.1 Payable for goods and services includes acceptances 4,204.51 13,742.20

2.20.2 Disclosure of sundry creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Total Overdue amount out of principal amount outstanding at the end of the year is Rs. 381.31 Lakhs (Previous year - ₹ 489.30 Lakhs). Based on above the relevant disclosures u/s 22 of the Act are as follows:

₹ in Lakhs

(i) The amount remaining unpaid to any supplier as at the end of the accounting year	557.30	646.29
(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;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of accounting year; and	139.74	104.47
(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.	-	-
	697.05	750.76

Notes to Financial Statements as at and for the year ended 31st March 2019

2.21 OTHER CURRENT FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019		As at 31st March 2018	
Financial liabilities at fair value through profit or loss					
Liability on derivative contracts			3.33		8.75
Other financial liabilities at amortised cost					
Current maturities of long term debt	2.14		52,054.09		28,518.53
Interest accrued but not due on borrowings			-		4.84
Interest accrued and due on borrowings			30,072.84		6,027.40
Unpaid dividend			0.45		0.69
Other payables					
Creditors on account of Capital Goods			2,079.05		2,717.76
Others			34.34		90.95
			2,113.39		2,808.71
			84,244.10		37,368.92

2.22 OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019		As at 31st March 2018	
Other payables					
Statutory Dues - PF, ESI, TDS, Entry Tax, GST etc.			4,771.68		5,050.02
Advance from Customers			2,401.39		1,737.91
			7,173.07		6,787.93

2.23 PROVISIONS

₹ in Lakhs

Particulars	Ref Note No.	As at 31st March 2019		As at 31st March 2018	
Provision for Employee Benefits			831.85		700.82
			831.85		700.82

2.23.1 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

2.24 REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019		For the year ended 31st March 2018	
Sale of Products (including excise duty)					
Finished Goods (Container Glass Bottles)	2.24.1 & 2.24.2		2,35,896.20		1,95,512.36
Other Operating Revenue					
Scrap Sales			312.77		330.83
Insurance Claim received			81.82		766.58
Liabilities no longer required written back			1,158.45		903.13
Others	2.24.3 & 2.24.4		2,902.78		3,818.05
Revenue from Operations			2,40,352.02		2,01,330.95

Notes to Financial Statements as at and for the year ended 31st March 2019

- 2.24.1 Damages, rebate and discount are adjusted with revenue.
- 2.24.2 Sale of goods includes excise duty collected from customers of ₹ NIL (Previous Year : ₹ 5,327.06 lakhs).
- 2.24.3 Includes Industrial Promotion Assistance received under State Incentive Scheme during the period is ₹ 560.59 Lakhs (Previous year: ₹ 363.42 Lakhs) and export incentives of ₹ 141.66 Lakhs (Previous year : ₹ 94.74. lakhs).
- 2.24.4 Others includes ₹ 1481.87 Lakhs (Previous Year ₹ 3270.43 Lakhs) for Transportation Income.

2.25 OTHER INCOME

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Income on deposits and others		173.57	128.82
Dividend Income		1.42	1.67
Other Non Operating income (net of expense directly attributable to such income)			
Rent and Hire Charges		75.95	95.49
Miscellaneous Income		456.80	284.40
		707.74	510.38

2.26 COST OF MATERIALS CONSUMED

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Raw Material Consumed			
Opening Stock		7,827.83	9,457.33
Add: Purchases		69,062.15	57,340.11
Less: Closing Stock		6,509.31	7,827.83
Raw Materials Consumed	2.41	70,380.67	58,969.61

- 2.26.1 Profit or loss on sale of Raw Materials has been adjusted in consumption.

2.27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Closing Stock			
Finished Goods		16,278.06	24,145.49
Work-in-Progress		530.97	769.62
		16,809.03	24,915.11
Less:			
Opening Stock			
Finished Goods		24,145.49	32,122.44
Work-in-Progress		769.62	917.55
		24,915.11	33,039.99
		8,106.08	8,124.88

Notes to Financial Statements as at and for the year ended 31st March 2019

2.28 EMPLOYEE BENEFIT EXPENSES

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Salaries and Wages		18,876.91	18,195.18
Contribution to Provident and Other Funds	2.41	1,163.03	1,166.35
Workmen and Staff Welfare Expenses		571.67	606.17
		20,611.61	19,967.70

2.28.1 Refer note 2.37.1 for Remuneration paid to Chairman & Managing Director and Vice Chairman & Managing Director

2.29 OTHER EXPENSES

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Stores and Spare Parts Consumed	2.29.1	7,690.19	6,717.24
Power and Fuel	2.29.2	90,293.16	65,068.44
Packing Material Consumed and Packing Charges		17,522.12	16,683.94
Rent		1,023.86	1,188.25
Rates and Taxes		412.10	295.92
Repairs:			
Plant and Equipment		857.33	632.46
Buildings		290.29	242.67
Others		155.38	162.20
Legal & Professional Expenses		989.52	560.61
Freight Outwards, Transport and Other Selling Expenses		4,326.17	5,669.88
Commission on Sales		166.22	94.41
Insurance		411.77	463.21
Excise Duty on Increase/(Decrease) of Stock		-	(3,815.56)
Bad Debts Written Off		12.88	29.68
Less: Write Back of Impairment Allowances for Trade Receivable		1.62	(0.30)
Impairment Allowances against Trade Receivables		273.46	98.39
Charity and Donation		0.77	0.04
Loss on Sale/Discard of Property Plant and Equipment (Net)		678.96	298.46
Exchange Loss (Net)		125.14	405.51
Other Miscellaneous Expenses	2.29.3	2,408.17	3,193.08
		1,27,639.11	97,988.53

2.29.1 Profit or loss on sale of Stores has been adjusted in consumption. During the year the unit has discard obsolete stock accordingly provision of ₹ 141.72 Lakhs (Previous year ₹ Nil) made in earlier year has been reversed and adjusted.

2.29.2 Electricity duty waiver benefit under State Incentive Schemes credited to Power and Fuel Account during the year is ₹ 870.81 Lakhs (Previous year: ₹ 425.17 Lakhs)

Notes to Financial Statements as at and for the year ended 31st March 2019

2.29.3 Other Miscellaneous Expenses include :

₹ in Lakhs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
a) Payment to Auditors		
To Auditor:		
Statutory Audit Fees	25.25	15.25
Tax Audit Fees	5.25	5.25
Certifications etc	5.90	3.69
To Branch Auditor:		
Audit Fees	-	11.25
Certifications etc	-	3.00
	36.40	38.44
b) Directors Travelling Expenses	13.23	26.41
c) Directors Sitting Fees	10.45	9.01

2.30 FINANCE COSTS

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Expense		24,962.68	25,047.63
Other borrowing Costs		293.89	137.65
		25,256.57	25,185.28

2.31 EXCEPTIONAL ITEMS

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit on disposal of Non current investments	2.31.1	9,516.99	-
		9,516.99	-

2.31.1 During the year, Siseecam Flat Glass India Ltd (Formerly known as HNG Float Glass Limited) has ceased to be the Joint Venture of the Company with effect from 13th June 2018 on disposal of its entire shareholding. Profit of ₹ 9,516.99 Lakhs (Previous Year NIL) has been recognised and included under exceptional items.

2.32 EARNINGS PER SHARE (EPS)

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computation

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit /(Loss) after Tax (₹ in Lakhs)	(17,295.06)	(29,451.32)
Net (Loss) for calculation of basic and Diluted EPS (₹ In Lakhs)	(17,295.06)	(29,451.32)
Weighted Average number of Equity shares in calculating Basic and Diluted EPS	8,95,53,565	8,82,91,318
Basic and Diluted EPS (a/b) (In ₹)	(19.31)	(33.36)

2.32.1 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 2019

2.33 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 2019	As at 31st March 2018
(I)	Claims against the company not acknowledged as debt			
1	Central Excise/Sales Tax matter under appeals		2,186.91	2,145.22
2	Excise Duty and Octroi demand issued against which the Company has preferred appeals and which in the opinion of the management are not tenable.		1,168.41	517.91
3	Cases pending with labour courts (to the extent ascertainable)		76.53	76.53
4	Other Claims against the Company not acknowledged as debt.		758.18	850.43
5	Octroi on Transportation of natural gas through pipeline.		378.49	364.81
6	Local Area Development Tax Demand		2,059.38	2,059.38
7	Demand of stamp duty against leasehold land purchased from Haryana Sheet Glass Limited.		37.67	37.67
8	Mathadi Act for 1999-2001		126.63	-
9	Income Tax under Appeal for the A Y 2011-12		1.30	-
10	Claim for increased price of land acquired at Bahadurgarh by the Punjab Government and given to the Company against which the claimants have preferred an appeal in the Supreme Court against the order of the High Court.		-	0.30
(II)	Other money for which the Company is contingently liable			
	Interest on Disputed Entry Tax		-	3,298.59
(III)	Guarantees excluding financial guarantees			
	Guarantee furnished to bank on behalf of an entity over which directors of the Company has significant influence.	2.33.A.3	1,800.00	1,800.00

2.33.A.1 The Hon'ble Supreme Court vide its order dated 11th November, 2016 has upheld the constitutional validity of levy of Entry Tax. This is being given effect to by the various state governments subject to follow up decisions before various judicial forums and appropriate authorities and the amount of said levy is yet to be determined. Pending outcome and final decision, no provision has been made for interest liability and has been shown as contingent liability to the extent determinable.

2.33.A.2 The Company's pending litigation comprises of claims against the Company and proceeding 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 item no. (1) to (9) as mentioned above are determinable only on receipt of judgement/decisions pending with various forums/authorities.

2.33.A.3 Disclosure pursuant to Sec 186(4) of Companies Act, 2013.

₹ in Lakhs

On Behalf of	Purpose	Date of Guarantee Issued	As at 31st March 2019	As at 31st March 2018
AMCL Machinery Limited	Working Capital Loan	25th June 12	1,800.00	1,800.00
			1,800.00	1,800.00

Notes to Financial Statements as at and for the year ended 31st March 2019

B. CAPITAL AND OTHER COMMITMENTS

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31st March 2019	As at 31st March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for; Net of advance of ₹ 306.46 Lakhs (Previous year - ₹ 800.63 Lakhs)	2,430.01	2,412.57

2.34 CAPITALISATION OF EXPENDITURE

The company had capitalised the following expenses of revenue nature incurred for construction of property, plant and equipment and trial run, to the cost of property, plant and equipment/capital work-in-progress (CWIP). Consequently, expenses/revenue disclosed under the respective notes are net of amounts capitalised by the company.

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at 31st March 2019	As at 31st March 2018
(i) Power and Fuel	206.30	0.05
(ii) Miscellaneous expenses	170.08	182.12
(iii) Stores & Spares Consumed	858.31	1,335.40
(iv) Payment to Contractors	0.29	2.83
(v) Cost of Material Consumed	11.99	-
Total	1,246.97	1,520.40
Add: Brought Forward from previous year	1,485.50	374.21
Less: Capitalised during the year	2,581.50	409.11
Total carried forward	150.97	1,485.50

2.35 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

a) Derivatives outstanding as at the balance sheet date

Particulars	As at 31st March 2019		As at 31st March 2018	
	Foreign Currency (in Lakhs)	INR Value (₹ in Lakhs)	Foreign Currency (in Lakhs)	INR Value (₹ in Lakhs)
USD				
Nature of Instrument/Nature of Loan				
Cross Currency Coupon Swap-External Commercial Borrowings -Number of Contracts- NIL, (Previous Year - 2)	-	-	160.00	10,434.40
Derivative Contract to buy US Dollar				
Trade Payable	50.60	3,503.96	-	-
-Buyers Credit	-	-	6.19	403.59
-Foreign Currency Loan	-	-	160.00	10,434.40

Notes to Financial Statements as at and for the year ended 31st March 2019

b) Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars	As at 31st March 2019		As at 31st March 2018	
	Foreign Currency (in Lakhs)	INR Value (₹ in Lakhs)	Foreign Currency (in Lakhs)	INR Value (₹ in Lakhs)
Import payables				
- EUR	10.35	804.62	17.08	1,373.22
- GBP	0.34	30.48	0.84	76.81
- JPY	0.84	0.53	0.84	0.51
- USD	13.80	955.94	23.25	1,516.21
- AUD	0.51	24.92	0.50	25.33
Export receivables				
- USD	7.36	509.90	13.45	877.17
- AUD	0.66	32.26	0.06	4.63
Foreign Currency loans				
- USD	741.28	51,333.95	617.00	40,237.66

2.36 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	For the year ended 31st March 2019	For the year ended 31st March 2018
Domestic Market	2,25,396.94	1,90,266.41
Overseas Market	14,955.08	11,064.54
Total	2,40,352.02	2,01,330.95

b) The following table shows the distribution of the Company's Trade Receivables by Geographical market.

₹ in Lakhs

Particulars	As at 31st March 2019	As at 31st March 2018
Domestic Market	34,950.70	37,256.70
Overseas Market	2,335.76	2,379.40
Total	37,286.46	39,636.10

Notes to Financial Statements as at and for the year ended 31st March 2019

2.37 RELATED PARTY DISCLOSURES

I Names of the related parties and nature of relationship

A) Joint Venture Company

Sisecam Flat Glass India Ltd. (Formerly known as HNG Float Glass Limited, Cease to Exist from 13.06.2018)

B) Key Managerial Personnels and their relatives

- (i) Late Chandra Kumar Somany - Chairman and Non Executive Director (Relative of Key Managerial Personnel) (Till 15th May 2017)
- (ii) Mr. Sanjay Somany - Chairman and Managing Director
- (iii) Mr. Mukul Somany - Vice Chairman and Managing Director
- (iv) Mr. Ratna Kumar Daga - Independent Director
- (v) Mr. Dipankar Chatterji - Independent Director
- (vi) Mrs. Rita Bhimani - Independent Director
- (vii) Late Narayanaswami Sitaraman - Independent Director (Till 24.04.2018)
- (viii) Mrs. Sudha Somany - Wife of Late Chandra Kumar Somany
- (ix) Mr. Bharat Somany - Son of Mr. Sanjay Somany

C) Enterprises over which any person described in [B (i) to (ix)] above is able to exercise significant influence and with whom the Company has transactions during the year.

AMCL Machinery Limited
Mould Equipment Limited
Brabourne Commerce Private Limited
Rungamattee Trexim Private Limited
Saurav Contractors Private Limited
Khazana Marketing Private Limited
Spotme Tracon Private Limited
Spotlight Vanijya Limited

II Related Party Transactions

a) Aggregate amount of Transactions with Joint Venture Company:

₹ in Lakhs

Nature of transactions	Name of the related party	For the year ended 31st March 2019	For the year ended 31st March 2018
Provision for Facilities	SISECAM FLAT GLASS INDIA LTD.	12.88	62.47
Recovery of Expenses	SISECAM FLAT GLASS INDIA LTD.	5.61	22.85
Purchase of Stores & Spares / Fixed Assets	SISECAM FLAT GLASS INDIA LTD.	-	8.97
Receipt of Services	SISECAM FLAT GLASS INDIA LTD.	267.86	28.29

Notes to Financial Statements as at and for the year ended 31st March 2019

b) Aggregate amount of Transactions with Key Managerial Personnel and their relatives:

₹ in Lakhs

Nature of transactions	Ref Note No.	Name of the related party	For the year ended 31st March 2019	For the year ended 31st March 2018
Remuneration (included in Employee Benefit Expenses-Note 2.28)#	2.37.1	Sanjay Somany	-	320.88
		Mukul Somany	-	321.21
		Bharat Somany	21.55	22.31
Sitting Fees		Ratna Kumar Daga	4.00	2.80
		Dipankar Chatterji	3.80	2.80
		Rita Bhimani	2.50	0.80
		Narayanaswami Sitaraman	0.15	2.60
Loan Adjusted		Chandra Kumar Somany	-	667.92
		Sanjay Somany	-	678.22
		Mukul Somany	-	678.22
Shares Allotted		Sudha Somany	-	662.40
		Mukul Somany	-	683.10
		Sanjay Somany	-	683.10

Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel during the year are as follows:

₹ in Lakhs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Short Term Employee Benefits*	21.55	664.40

* Excluding contribution to gratuity fund

2.37.1 The remuneration paid to the extent of ₹ 606 Lakhs for each of the financial year ending 2017-18, 2016-17 and 2015-16 to Chairman & Managing Director & Vice Chairman and Managing Director has exceeded the limits laid down in the companies Act,2013. The Company is pursuing for requisite approval.

c) Aggregate amount of Transactions with related parties as mentioned in (C) above are as follows:

₹ in Lakhs

Nature of transactions	Ref Note No.	Name of the related party	For the year ended 31st March 2019	For the year ended 31st March 2018
Purchase of Goods		Mould Equipment Limited	9.61	8.57
		AMCL Machinery Limited	-	0.95
Recovery of expenses		AMCL Machinery Limited	5.70	7.86
		Mould Equipment Limited	15.17	6.19
Purchase of Stores & Spares		AMCL Machinery Limited	0.37	
Receipt of Services		Mould Equipment Limited	291.16	284.66
Rent Paid		Spotlight Vanijya Limited	9.00	7.00
		Rungamattee Trexim Private Limited	3.00	3.00
Rent Received		Mould Equipment Limited	29.88	16.18

Notes to Financial Statements as at and for the year ended 31st March 2019

Nature of transactions	Ref Note No.	Name of the related party	For the year ended 31st March 2019	For the year ended 31st March 2018
Loan Taken during the year		Spotlight Vanijya Limited	8,000.00	-
Loan Adjusted		Brabourne Commerce Private Limited	-	695.90
		Rungamattee Trexim Private Limited	-	347.95
		Saurav Contractors Private Limited	-	579.91
		Khazana Marketing Private Limited	-	579.91
		Spotme Tracon Private Limited	-	347.95
Shares Allotted		Brabourne Commerce Private Limited	-	693.45
		Rungamattee Trexim Private Limited	-	351.90
		Saurav Contractors Private Limited	-	579.60
		Khazana Marketing Private Limited	-	579.60
		Spotme Tracon Private Limited	-	351.90

d) Balance of related parties is as follows:

₹ in Lakhs

Nature of transaction	Ref Note No.	Name of the related party	As At 31st March 2019	As At 31st March 2018
Payable		AMCL Machinery Limited	0.09	-
Payable		Mould Equipment Limited	100.35	71.50
Corporate Guarantee given to bank on behalf of		AMCL Machinery Limited	1,800.00	1,800.00
Loan Outstanding	2.14	Spotlight Vanijya Limited	8,000.00	-
Sitting Fee		Ratna Kumar Daga	0.18	-
		Rita Bhimani	0.18	-

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 in cash. The Company has provided corporate guarantees to related parties, as disclosed above, towards their borrowing facilities (refer note 2.33.A.3) and no amount/income is being received by the Company in this regard. For the year ended March 31, 2019, 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 through examining the financial position of the related party and the market in which the related party operates.

Notes to Financial Statements as at and for the year ended 31st March 2019

2.38 LEASES

The company has taken certain land on Finance Lease. Carrying Value of Land taken on Lease is ₹ 4990.71 Lakhs (Previous Year- 5056.19 Lakhs).

The Company has acquired certain assets under financial lease, the cost of which is included in the Gross Blocks of Buildings and Vehicles. The lease term is 75 years (Rishikesh and Head Office) and 95 years (In case of Sinnar) for Building. The lease term is 3-5 years for Vehicles, after which the legal title will pass on the Company. The lease has been recognised as an asset at the present value of the minimum lease payments. Minimum lease payments payable in future at the balance sheet date and their present value are as under:

Assets taken under Finance Lease

₹ in Lakhs

Particulars	As at 31st March 2019		As at 31st March 2018	
	Lease Payments	Present Value	Lease Payments	Present Value
Not more than one year	0.50	0.10	0.50	0.11
Later than one year and not more than five years	2.04	0.29	2.02	0.32
Later than five years	40.28	0.47	40.81	0.53

Assets taken under Operating Leases:

Certain office premises, office equipments and system storage and support are obtained on operating lease. There is no contingent rent in the lease agreements. The lease term is for 1-3 years and is renewable at the mutual agreement of both the parties. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease agreements. There are no sublease and all the leases are cancelable in nature. The aggregate lease rentals are charged as "Rent" in Note '2.29' of the financial statement.

₹ in Lakhs

Particulars	Lease Payments	
	31st March 2019	31st March 2018
Not more than one year	70.63	164.06
Later than one year and not more than five years	47.29	100.92

2.39 The Company is incurring losses since Financial Year 2012-2013 which have resulted in erosion of net-worth completely. With the approval of resolution plan and the positive outlook of the management towards the growth of the company and its ability to continue as a going concern in the foreseeable future, the financial statements for the year ended 31st March, 2019 have been prepared on a going concern basis.

2.40 RAW MATERIAL CONSUMED

₹ in Lakhs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Silica Sand	11,920.90	10,488.35
Soda Ash	40,052.52	29,182.35
Cullet	9,759.67	11,412.85
Others	8,466.51	7,765.99
Total	70,199.60	58,849.54
Excluding Raw Materials Processing / ACL Printing Charges	181.07	120.07

Notes to Financial Statements as at and for the year ended 31st March 2019

2.41 GRATUITY AND OTHER 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 / 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 Scheme

Contribution to Defined Contribution Plan, recognised for the respective years are as under:

Particulars		For the year ended 31st March 2019	For the year ended 31st March 2018
Employer's Contribution to Provident Fund		427.09	456.27
Employer's Contribution to Pension Fund		339.21	370.85
Employer's Contribution to Superannuation Fund		-	-

The Actuarial Society of India has issued the final guidance for measurement of provident fund liabilities during the quarter ended December 31, 2011. The actuary has accordingly provided a valuation and based on the below provided assumptions there is no shortfall as at 31st March 2019; (Previous Year : NIL)

The Company contributed ₹ NIL towards provident fund during the year ended 31st March, 2019 (Previous Year : NIL)

The details of fund and plan asset position are given below:

Particulars		As at 31 March 2019	As at 31 March 2018
Plan assets at year end, at fair value		11,306.27	10,764.25
Present value of benefit obligation at year end		10,823.91	9,889.84
Asset / (Liability) recognised in Balance Sheet		482.36	874.41

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars		As at 31 March 2019	As at 31 March 2018
Fixed Income/Debt Securities		9.05%	9.05%
Expected guaranteed interest rate		8.65%	8.55%

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 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.

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

I. Change in the present value of the Defined Benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity Funded	
	2018-19	2017-18
Liability at the beginning of the year	3,180.61	3,069.91
Current Service Cost	225.39	221.13
Curtailment Cost	-	-
Interest Cost	227.84	217.10
Actuarial (gain)/loss on obligations due to Change in Financial Assumption	137.87	(531.05)
Actuarial (gain)/loss on obligations due to Change in Demographic assumption	-	-
Actuarial (gain)/loss on obligations due to Unexpected Experience	(178.59)	711.60
Benefits paid	(404.58)	(508.08)
Liability at the end of the year	3,188.54	3,180.61

Particulars	Gratuity Unfunded	
	2018-19	2017-18
Liability at the beginning of the year	652.74	812.17
Current Service Cost	53.37	68.53
Interest Cost	50.04	62.51
Actuarial (gain)/loss on obligations due to Change in Financial Assumption	33.31	(167.02)
Actuarial (gain)/loss on obligations due to Change in Demographic assumption	-	-
Actuarial (gain)/loss on obligations due to Unexpected Experience	(160.08)	(120.58)
Benefits paid	(3.97)	(2.87)
Liability at the end of the year	625.41	652.74

Particulars	Total Defined Benefit Obligations	
	2018-19	2017-18
Defined benefit obligation (funded) at the end of the year	3,188.54	3,180.61
Defined benefit obligation (unfunded) at the end of the year	625.41	652.74
Total Defined benefit obligation at the end of the year	3,813.94	3,833.35

Particulars	Compensated Absences Unfunded	
	2018-19	2017-18
Liability at the beginning of the year	502.55	508.73
Current Service Cost	249.82	250.62
Curtailment Cost	-	-
Interest Cost	34.59	34.99
Actuarial (Gain) / Loss	(142.89)	(182.02)
Benefits paid	(100.91)	(109.77)
Liability at the end of the year	543.16	502.55

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

II. Changes in the Fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity Funded	
	2018-19	2017-18
Fair value of plan assets at the beginning of the year	2,783.56	2,984.65
Interest Income	212.94	230.12
Return on Plan Assets excluding Interest Income	(151.07)	(53.78)
Employer contribution	230.88	130.65
Benefits paid	(404.58)	(508.08)
Fair value of plan assets at the end of the year	2,671.73	2,783.56

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

Particulars	Gratuity Funded	
	2018-19	2017-18
Current Service Cost	225.39	221.13
Curtailment Cost	-	-
Net Interest Cost	14.90	(13.01)
Expenses recognised in Statement of Profit and Loss	240.29	208.12

Particulars	Gratuity Funded	
	2018-19	2017-18
Actuarial (gain)/loss on obligations due to Change in Financial Assumption	137.87	(531.05)
Actuarial (gain)/loss on obligations due to Unexpected Experience	(178.59)	711.60
Total Actuarial (gain)/losses	(40.72)	180.55
Return on Plan Asset, excluding Interest Income	151.07	53.78
Net expenses recognised in Other Comprehensive Income	110.35	234.33

Particulars	Gratuity Unfunded	
	2018-19	2017-18
Current Service Cost	53.37	68.53
Interest Cost	50.04	62.51
Expenses recognised in Statement of Profit and Loss	103.41	131.04

Particulars	Gratuity Unfunded	
	2018-19	2017-18
Actuarial (gain)/loss on obligations due to Change in Financial Assumption	33.31	(167.02)
Actuarial (gain)/loss on obligations due to Unexpected Experience	(160.08)	(120.58)
Total Actuarial (gain)/losses	(126.77)	(287.60)
Return on Plan Asset, excluding Interest Income	-	-
Net expenses recognised in Other Comprehensive Income	(126.77)	(287.60)

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

Particulars	Gratuity Funded	
	2018-19	2017-18
Current Service Cost	249.82	250.62
Curtailment Cost	-	-
Interest Cost	34.59	34.99
Net Actuarial (Gain) / Loss to be recognized	(142.89)	(182.02)
Expenses recognised in Profit and Loss account	141.52	103.59

IV. Balance Sheet Reconciliation

Particulars	Gratuity Funded	
	2018-19	2017-18
Present value of the defined benefit obligations at the end of the year	3,188.54	3,180.61
Fair value of the plan assets at the end of the year	2,671.73	2,783.56
Amount Recognised in Balance Sheet	516.81	397.05

Particulars	Gratuity Unfunded	
	2018-19	2017-18
Present value of the defined benefit obligations at the end of the year	625.41	652.73
Fair value of the plan assets at the end of the year	-	-
Amount Recognised in Balance Sheet	625.41	652.73

Particulars	Compensated Absences Unfunded	
	2018-19	2017-18
Present value of the defined benefit obligations at the end of the year	543.16	502.55
Fair value of the plan assets at the end of the year	-	-
Amount Recognised in Balance Sheet	543.16	502.55

Particulars	Gratuity Funded	
	2018-19	2017-18
Opening Net Liability	397.05	85.26
Expenses as above	350.64	442.44
Employers Contribution	230.88	130.65
Amount Recognised in Balance Sheet	516.81	397.05

Particulars	Gratuity Unfunded	
	2018-19	2017-18
Opening Net Liability	652.74	812.17
Expenses as above	(23.36)	(156.56)
Employers Contribution	(3.97)	(2.87)
Amount Recognised in Balance Sheet	625.41	652.74

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

Particulars	Compensated Absences Unfunded	
	2018-19	2017-18
Opening Net Liability	502.55	508.73
Expenses as above	141.52	103.59
Employers Contribution	(100.91)	(109.77)
Amount Recognised in Balance Sheet	543.16	502.55

V. Compensated Absences

The actuarial liability of Compensated Absences (Unfunded) of accumulated privileged leave of the employees of the company as at 31st March, 2019 is ₹ 467.05 Lakhs (Previous Year : ₹ 430.30 Lakhs).

VI. 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.

VII. Principal Actuarial assumptions at the Balance Sheet Date

Particulars	Gratuity Funded	
	2018-19	2017-18
Mortality Table	IALM (2006-2008) ULTIMATE	IALM (2006-2008) ULTIMATE
Discount rate (per annum)	7.65%	7.71%
Expected rate of return on plan assets (per annum)	7.65%	7.71%
Average expected future service (Remaining working Life)	16	16
Average Duration of Liabilities	58	58
Early Retirement & Disablement (All Causes Combined)		
above age 45	Varying between 8% per annum to 1% per annum depending on duration and age of the employees.	
Between 29-45		
below age 29		
Rate of escalation in salary (per annum)	6.50%	6.00%

Particulars	Gratuity Unfunded	
	2018-19	2017-18
Mortality Table	IALM (2006-2008) ULTIMATE	IALM (2006-2008) ULTIMATE
Discount rate (per annum)	7.69%	7.71%
Expected rate of return on plan assets (per annum)		
Average expected future service (Remaining working Life)	19	21
Average Duration of Liabilities	58	58
Early Retirement & Disablement (All Causes Combined)		
above age 45	Varying between 8% per annum to 1% per annum depending on duration and age of the employees.	
Between 29-45		
below age 29		
Rate of escalation in salary (per annum)	6.50%	6.00%

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.

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

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.

The contributions expected to be made by the Company for the year 2019-20 is yet to be determined.

VIII. A quantitative sensitivity analysis for significant assumption are as shown below:

a) Gratuity Funded

Sensitivity Analysis	2018-19		2017-18	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	3,066.93	3,319.30	3,067.35	3,302.31
%Change Compared to base due to sensitivity	(3.81%)	4.10%	(3.56%)	3.83%
Salary Growth (-/+ 0.5%)	3,319.46	3,065.72	3,303.10	3,065.67
%Change Compared to base due to sensitivity	4.11%	(3.85%)	3.85%	(3.61%)
Attrition Rate (-/+ 0.5%)	3,192.15	3,184.94	3,184.11	3,177.12
%Change Compared to base due to sensitivity	0.11%	(0.11%)	0.11%	(0.11%)
Mortality Rate (-/+ 10%)	3,204.45	3,172.63	3,195.91	3,165.32
%Change Compared to base due to sensitivity	0.48%	(0.48%)	0.48%	(0.48%)

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.

b) Gratuity Unfunded

Sensitivity Analysis	2018-19		2017-18	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	593.73	659.72	618.15	690.38
%Change Compared to base due to sensitivity	(5.06%)	5.49%	(5.30%)	5.77%
Salary Growth (-/+ 0.5%)	659.77	593.41	690.63	617.64
%Change Compared to base due to sensitivity	5.50%	(5.12%)	5.81%	(5.38%)
Attrition Rate (-/+ 0.5%)	626.39	624.41	653.86	651.61
%Change Compared to base due to sensitivity	0.16%	(0.16%)	0.17%	(0.17%)
Mortality Rate (-/+ 10%)	629.34	621.47	657.05	648.42
%Change Compared to base due to sensitivity	0.63%	(0.63%)	0.66%	(0.66%)

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.

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

2.42 CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars		For the year ended 31st March 2019	For the year ended 31st March 2018
Financial Assets			
Measured at Amortised Cost			
Investments	2.2	0.15	0.57
Deposit with Bank	2.3	2.95	2.79
Trade Receivable	2.6	36,873.33	39,459.79
Cash and Cash Equivalents	2.7.A	15,544.47	680.95
Other Bank Balances	2.7.B	1,766.22	81.33
Security Deposits	2.3 & 2.9	2,388.68	2,010.10
Loan to Employees	2.8	6.47	8.95
Other Current Financial Assets	2.9	1,112.63	1,032.10
Total financial assets measured at amortised cost		57,694.90	43,276.58
Measured at Fair Value through Profit or Loss			
Non-current Investment	2.2	167.42	167.42
Receivable on account of derivative contract	2.3 & 2.9	-	1,063.39
Total Financial Assets measured at Fair Value through Profit or Loss		167.42	1,230.81
Financial Liabilities			
Measured at Amortised Cost			
Non Current Borrowings	2.14	1,56,413.01	1,64,758.64
Retention Money	2.15	332.35	330.46
Current - Borrowings	2.19	30,642.29	59,753.50
Trade payable	2.2	37,129.56	45,451.00
Current maturities of long term debt	2.21	52,054.09	28,518.53
Interest accrued but not due on borrowings	2.21	-	4.84
Interest accrued and due on borrowings	2.21	30,072.84	6,027.40
Unpaid dividend	2.21	0.45	0.69
Other Payables	2.21	2,113.39	2,808.71
Total financial liabilities measured at amortised cost		3,08,757.98	3,07,653.76
Measured at Fair Value through Profit or Loss			
Liability on derivative contracts	2.21	3.33	8.75
Total financial liabilities measured at Fair Value through Profit or Loss		3.33	8.75

Notes to Financial Statements as at and for the year ended 31st March 2019

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)
Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019:				
Assets measured at fair value:				
Non Current Investments	31-Mar-19	-	-	167.42
Liability measured at fair value:				
Liability on derivative contracts	31-Mar-19	-	3.33	-
Quantitative disclosures of fair value measurement hierarchy for assets as at Previous Year				
Assets measured at fair value:				
Non Current Investments	31-Mar-18	-	-	167.42
Liability measured at fair value:				
Derivative Contract - Cross Currency Swap	31-Mar-18	-	1,063.39	-
Liability measured at fair value:				
Derivative Contract - Forward	31-Mar-18	-	8.75	-

(iii) Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received to sell 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.
- Fair Value of Long term debt approximates their carrying value subject to adjustments made for transaction cost.

2.44 Financial Risk Management Objectives and policies

The Company's financial liabilities comprise borrowings, capital creditors, trade and other payables. 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.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i) 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. 2.35.B above.

Notes to Financial Statements as at and for the year ended 31st March 2019

₹ in Lakhs

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	Changes in USD rate %	Foreign currency Payable (net) (₹) in Lakhs	Effect on profit/(loss) before tax (₹) in Lakhs
31st March 2019			
Weakening of INR	5%	468.34	(22.30)
Strengthening of INR	-5%	(423.73)	22.30
31st March 2018			
Weakening of INR	5%	671.03	(31.95)
Strengthening of INR	-5%	(607.12)	31.95

* The above sensitivity do not include foreign currency risk on borrowings amounting to ₹ 741.28 Lakhs (Previous Year - ₹ 617 Lakhs) which are capitalised with the Property, Plant and Equipment and not charged to Statement of Profit and Loss.

(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:

Particulars	Increase/decrease in basis points	Effect on profit/(loss) before tax (₹) in Lakhs
31st March 2019		
INR	+50	(696.99)
USD	+50	(256.67)
INR	-50	696.99
USD	-50	256.67
31st March 2018		
INR	+50	(763.65)
USD	+50	(253.36)
INR	-50	763.65
USD	-50	253.36

Notes to Financial Statements as at and for the year ended 31st March 2019

(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).

Trade receivables

Credit quality of a customer is assessed based on an appraisal of customer creation form 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 its customers are located in several geographical locations.

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. The short and medium term requirements are met through the committed lines of credit.

2.45 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. 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 ₹ -2154.46 Lakhs (Refer Note No. 2.12 & 2.13).

2.46 GEARING RATIO:

The Company has long term Debt of ₹ 1,98,622.15 Lakhs (Previous Year : ₹ 1,93,277.17 Lakhs). Accordingly the Company has 1.00 gearing ratio as at 31st March 2019 and 0.93 gearing ratio as at 31st March, 2018.

Particulars	₹ in Lakhs	
	As at 31st March 2019	As at 31st March 2018
Net Long Term Debt	1,83,266.54	1,92,795.02
Total Equity	(2,154.46)	14,664.98
Net Long Term Debt to Value Ratio	1.01	0.93

Notes to Financial Statements as at and for the year ended 31st March 2019

- 2.47** During the current financial year, the company has sold its entire stake in the joint venture with Sisecam Flat Glass India Ltd. (Erstwhile HNG Float Glass Ltd.). As a result during the current year the company is not required to prepare a consolidated financial statement.
- 2.48** These financial statements have been approved by the Board of Directors of the Company on 17th May, 2019 for issue to the shareholders for their adoption.

Summary of Significant Accounting Policies	1
Notes on Financial Statements	2.1 to 2.48

The notes are an integral part of the Financial Statements.

As per our report of even date

For and on behalf of the Board

For Doshi Chatterjee Bagri & Co LLP
Chartered Accountants
FRN : 325197E/E300020

For JKVS & CO
(Formerly Jitendra K. Agarwal & Associates)
Chartered Accountants
FRN : 318086E

Sanjay Somany
Chairman and Managing Director
DIN: 00124538

Mukul Somany
Vice Chairman and Managing Director
DIN: 00124625

Chandi Prosad Bagchi
Partner
Membership No. 052626
Place : Kolkata
Date : 17th May 2019

Abhishek Mohta
Partner
Membership No. 066653
Place : Kolkata
Date : 17th May, 2019

Bimal Kumar Garodia
President and
Chief Financial Officer

Lalit Lohia
Company Secretary

Corporate Information

CHAIRMAN & MANAGING DIRECTOR

Sanjay Somany
(DIN: 00124538)

VICE CHAIRMAN & MANAGING DIRECTOR

Mukul Somany
(DIN: 00124625)

DIRECTORS

Ratna Kumar Daga - Independent Director
(DIN: 00227746)

Dipankar Chatterji - Independent Director
(DIN: 00031256)

Rita Bhimani - Independent Director
(DIN: 07106069)

Amal Chandra Saha - Additional Director
(DIN: 00443348)

PRESIDENT & CHIEF FINANCIAL OFFICER

Bimal Kumar Garodia

COMPANY SECRETARY & COMPLIANCE OFFICER

Lalit Lohia

AUDITORS

Doshi Chatterjee Bagri & Co. LLP.
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

Axis Bank Limited
Bank of Baroda
Co-operative Centrale Raiffeisen-Boerenleenbank B.A.
(trading as Rabobank International)
DBS Bank Limited
Export Import Bank of India
Edelweiss Asset Reconstruction Company Limited
HDFC Bank Limited
Life Insurance Corporation of India
L&T Finance
Standard Chartered Bank
State Bank of India
Syndicate Bank



If undelivered, please return to :

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

Website : www.hngil.com



HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

Registered Office: 2, Red Cross Place, Kolkata - 700 001

CIN - L26109WB1946PLC013294

Website: www.hngil.com, email: cosec@hngil.com • Tel: (033) 2254 3100, Fax: (033) 2254 3130

NOTICE OF THE 73RD ANNUAL GENERAL MEETING

Notice is hereby given that the 73rd Annual General Meeting (AGM) of the members of Hindusthan National Glass & Industries Limited will be held on **Wednesday, the 18th September, 2019, at 10:00 a.m. at CII–Suresh Neotia Centre of Excellence for Leadership, DC-36, Sector - I, Salt Lake City, Kolkata – 700 064**, to transact, the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2019 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.

SPECIAL BUSINESS:

3. Appointment of Shri Amal Chandra Saha (DIN: 00443348) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Section 149, 150, 152, 161 read with Schedule IV, read with Companies (Appointment and Disqualification of Directors) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, read with regulations 16(1)(b), 17(1A) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Amal Chandra Saha (DIN: 00443348), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 26th April, 2019, pursuant to provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence, as provided in the Act and Listing Regulations and in respect of whom, the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, not subject to retirement by rotation, to hold office for a term of 5 (five) consecutive years with effect from 18th September, 2019 to 17th September, 2024;

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts and take all steps, as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto”.

By Order of the Board of Directors,
For **Hindusthan National Glass & Industries Limited**

(Lalit Lohia)

Company Secretary

Place : Kolkata

Date : 17.05.2019.

NOTES:

1. The Company's Joint Statutory Auditors i.e a) M/s. Doshi Chatterjee Bagri & Co. LLP, Chartered Accountants, registered with the Institute of Chartered Accountants of India vide registration number 325197E/E300020, were appointed as Statutory Auditors of the Company, for a period of five consecutive years at the 71st Annual General Meeting ("AGM") of the Members held on 18th September, 2017, on a remuneration mutually agreed upon by the Board of Directors and said Statutory Auditor and b) M/s. JKVS & Co. (Formerly M/s. Jitendra K. Agarwal & Associates) Chartered Accountants, registered with the Insititute of Chartered Accountants of India vide registration number 318086E, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 72nd Annual General Meeting ("AGM") held on 18th September, 2018, on a remuneration mutually agreed upon by the Board of Directors and said Statutory Auditor.

Their appointments were subject to ratification by the Members at every subsequent AGM, held after the AGM held on 18th September, 2017 and 18th September, 2018 respectively. Pursuant to the amendments made to Section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017, effective from 7th 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. Both of the Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors will be determined by the Board of Directors based on the recommendations of the Audit Committee.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person cannot act as a proxy for any other person or Shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable. A Proxy Form, Attendance Slip and Ballot form are annexed to this Notice.
3. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
4. Corporate Members are required to send a certified true copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Meeting.
5. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Special Business under Item No. 3 of the accompanying Notice is annexed hereto.
6. Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slip enclosed herewith, duly completed and signed mentioning therein, details of their DP ID and Client ID/ Folio No. Duplicate Attendance Slip or copies of the Report and Accounts will not be made available at the AGM venue.
7. A brief resume of the Director proposed to be appointed at this AGM, nature of his expertise in specific functional area, names of public companies in which he hold directorship and membership/ chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in **Annexure - 1**.
8. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under section 189, respectively under the Companies Act, 2013, will be available for inspection by the members at the AGM Venue. Relevant

documents referred to in the accompanying Notice and in the Explanatory Statement, are open for inspection by the Members at the Company's Registered Office i.e. 2, Red Cross Place, Kolkata-700 001, West Bengal, India on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. up to the date of this AGM and also at the AGM.

9. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 11th September, 2019 to Wednesday, 18th September, 2019 (both days inclusive) for the purpose of AGM.
10. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019, unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
11. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the Company has transferred on due dates, all unclaimed dividends up to the Financial Year 2010-11 to Investor Education and Protection Fund ('said Fund') established by Central Government. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has uploaded the details of the unpaid and unclaimed amounts lying with the Company on the website of the Company www.hngil.com. Unclaimed dividend for the FY 2011-12 will fall due for transfer to the said Fund on 15th September, 2019. Those Members, who have not encashed their dividends for the F Y 2011-12, are requested to claim it from the RTA of the Company.
12. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all equity shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more on 15th September, 2019 shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). The Company has also written to the concerned Shareholders intimating them their particulars of the equity shares due for transfer. These details are also available on the Company's website www.hngil.com. No claim shall lie against the Company in respect of these equity shares post their transfer to IEPF. Upon transfer, the Shareholders will be able to claim these equity shares only from the IEPF Authority by making an online application, the details of which are available at www.iepf.gov.in. All correspondence should be addressed to the RTA of the Company viz Maheshwari Datamatics Private Limited, 23, R.N Mukherjee Road, 5th Floor, Kolkata – 700 001, Tel:033-2248-2248, e-mail: mdpldc@yahoo.com
13. To support the "Green Initiative" measures undertaken by the Ministry of Corporate Affairs, wherein companies are allowed to send the documents in electronic mode to the shareholders, members are requested to register/update their email address, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares in physical form with Company's RTA.
14. Members are requested to intimate immediately change of address, if any, to the Registrar & Share Transfer Agent of the Company, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N Mukherjee Road, 5th Floor, Kolkata - 700 001 and/or to the Company Secretary at the Registered Office of the Company at 2, Red Cross Place, Kolkata - 700 001, quoting their folio numbers. Shareholders holding shares in the electronic mode are requested to address all their correspondence to their respective Depository Participant.
15. The Securities & Exchange Board of India (SEBI) has mandated the requirement of having a Permanent Account Number (PAN) by every participant of the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN details to the Company's RTA.
16. Members may note that Annual Report for the financial year 2018-19 and Notice of the AGM will also be available on the company's website www.hngil.com for download.
17. A route map showing directions to the venue of the 73rd AGM is given at the end of this Notice as per the requirement of the Secretarial Standard-2 on "General Meetings".

VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure

Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting, who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The facility to vote by electronic voting system will not be provided at the AGM Venue.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on Sunday, 15th September, 2019 at 9.00 a.m. and ends on Tuesday, 17th September, 2019 at 5.00 p.m.

- iv. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 11th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently or cast the vote again.
- v. The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?	
<p>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.</p> <p>2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.</p> <p>3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.</p> <p>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.</p> <p>4. Your User ID details are given below:</p>	
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. Your password details are given below:
a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
b) 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 enter the 'initial password' and the system will force you to change your password.
c) How to retrieve your 'initial password'? i. 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'. ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
i) Click on " Forgot User Details/Password? "(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com .
ii) Physical User Reset Password? " (If you are holding shares in physical mode) option available on www.evoting.nsd.com .
iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of our company Hindusthan National Glass & Industries Ltd. to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

- vi. 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.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- vii. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
- viii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, 11th September, 2019,
- ix. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Wednesday, 11th September, 2019, may obtain the login ID and

password by sending a request at evoting@nsdl.co.in or mdpldc@yahoo.com

- x. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- xi. The Board of Directors of the Company has appointed Mrs. Kumkum Rathi, (Membership No. 6016) C/o M/s. M. Rathi & Co., Practicing Company Secretaries, who is not in employment of the Company as the Scrutinizer for providing facility to the members of the Company, to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members, who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xiii. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xiv. Every client ID No./Folio No. will have one vote irrespective of the number of joint holders.
- xv. The results of voting will be declared within 48 hours from the conclusion of the meeting and the resolution proposed thereat will be deemed to be passed on the date of the meeting subject to receipt of requisite number of votes. The declared results, along with the Scrutinizer report will be available forthwith on the Company's website i.e. www.hngil.com and on the website of NSDL. Such results will also be forwarded to the Stock Exchanges, where the Company's shares are listed.

Annexure to the Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Special Business

Item No 3:- Appointment of Shri Amal Chandra Saha (DIN: 00443348) as an Independent Director

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, had appointed Shri. Amal Chandra Saha (DIN: 00443348) as an Additional Non – Executive Independent Director w.e.f. 26th April, 2019, under Section 161(1) of the Companies Act, 2013 (the Act) and Articles of Association of the Company. He shall hold office upto the date of this Annual General Meeting. He is eligible for appointment as a Director. He has been appointed in the category of Non-Executive Independent Director under Section 149 of the Act. The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying the intention to propose the candidature of Shri Amal Chandra Saha for the office of Director of the Company. He has confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act and has given his consent to act as a Director of the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director. Accordingly, the Board recommends this Special Resolution in relation to his eligibility and appointment as an Independent Director for a term of five consecutive years with effect from 18th September, 2019 to 17th September, 2024, for approval by the shareholders of the Company.

Shri Amal Chandra Saha, aged 79 years, 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.

The Company has also received a declaration from Shri Amal Chandra Saha (DIN: 00443348) as specified under Section 149(6) and Schedule IV of the Companies Act, 2013. and being eligible, he has offered himself for appointment.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Shri Amal Chandra Saha himself and his relatives, are concerned or interested, financially or otherwise, in this resolution. His additional informations pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) is appearing in the **Annexure - 1** to this Notice and in the Annual Report under Directors' Report and Corporate Governance Report.

Annexure -1

Disclosure relating to Directors pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 on General Meetings:

Particulars	Shri Amal Chandra Saha
DIN:	00443348
Date of Birth	02-04-1940
Date of first appointment on the Board	26-04-2019
Expertise in specific functional areas	He is an expert in the field of Banking Sector. Being an expert in Banking Sector, he have extensive knowledge in Finance sector.
Qualification	Bachelor in Economics (Honours)
Directorship held in other public companies (excluding Foreign Companies and Section 8 Companies)	Nil
Memberships/Chairmanships of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil
No of shares held in the Company	Nil
Relationship between directors inter-se	Not Related with any Director of the Company

By Order of the Board of Directors,
For **Hindusthan National Glass & Industries Limited**

Place : Kolkata
Date : 17.05.2019.

(Lalit Lohia)
Company Secretary

ROUTE MAP FOR THE 73rd AGM VENUE

at CII - Suresh Neotia Centre of Excellence for leadership, DC-36, Sector - I, Salt Lake City, Kolkata - 700 064





HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.

CIN: L26109WB1946PLC013294

Registered Office: 2, Red Cross Place, Kolkata-700 001

BALLOT PAPER

(In lieu of e-voting)

73rd Annual General Meeting – Wednesday, 18th September, 2019

Folio No/DP ID & Client ID * (*Applicable to investors holding shares in dematerialised form)	
No. of Shares held	
Serial No	
Name of the Member	
Name(s) of Joint Holder(s), if any	
Address	

I hereby exercise my vote in respect of Ordinary/Special Resolutions of the Company at the 73rd Annual General Meeting (AGM) of the Company, held on Wednesday, 18th September, 2019 at 10 a.m. at CII-Suresh Neotia Centre of Excellence for Leadership, DC-36, Sector-I, Salt Lake City, Kolkata-700 064, enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sl. No.	Item	Type of Resolution	No. of shares held by me	I assent to the resolution (For)	I dissent from the resolution (Against)
Ordinary Business					
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2019 together with Reports of the Directors and the Auditors thereon.	Ordinary			
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.	Ordinary			
Special Business					
3.	Appointment of Shri. Amal Chandra Saha (DIN: 00443348) as an Independent Director.	Special			

Affix
Revenue
Stamp of
₹ 1/-

Place:

Date:

(Signature of the shareholder)

INSTRUCTIONS

1. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
2. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
3. To avoid fraudulent transactions, the identity/ signature of the members holding shares in electronic/ demat form will be verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form will be verified as per the records of the share transfer agent of the Company (i.e. Maheshwari Datamatics Pvt. Ltd.). Members are requested to keep the same updated.
4. There will be only one Ballot Form for every DP ID & Client ID/ Folio No. irrespective of the number of joint members.
5. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
6. Where the Ballot Form has been signed by an authorized representative of the Body Corporate/Trust/Society, etc. a certified copy of the relevant authorisation/Board resolution to vote along with Specimen Signature of the authorised representative should accompany the Ballot Form. A scanned copy of the same may be first emailed to mrathico@gmail.com at least 48 hours before the 73rd Annual General Meeting, so that any corrections or amendments may be recommended on time.
7. Duly filled in and signed Ballot Form should be dropped in the Ballot Box provided at the venue of the 73rd Annual General Meeting

**HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.**

CIN: L26109WB1946PLC013294

Registered Office: 2, Red Cross Place, Kolkata-700 001

Telephone: (033) 2254-3100, Fax : (033) 2254-3130, Email : cosec@hngil.com, Website : www.hngil.com

FORM: MGT-11**PROXY**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered Address :

E-mail ID :

Folio No/DP ID & Client ID :

I/We, being the Member(s) of Hindusthan National Glass & Industries Limited, holding..... Equity Shares of the above named Company, hereby appoint:

1) Name : Address.....

E-mail ID : Signature : or failing him/her;

2) Name : Address.....

E-mail ID : Signature : or failing him/her;

3) Name : Address.....

E-mail ID : Signature : or failing him/her;

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 73rd Annual General Meeting of the Company, to be held on Wednesday, 18th September, 2019 at 10.00 AM at CII-Suresh Neotia Centre of Excellence for Leadership, DC-36, Sector-I, Salt Lake City, Kolkata-700 064 and at any adjournment thereof, in respect of such resolutions as are indicated below :

Resolution No.	Description	Optional (See Note 4)		
		For	Against	Abstain
Ordinary Business				
1.	By way of Ordinary Resolution To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2019 together with Reports of the Directors and the Auditors thereon.			
2.	By way of Ordinary Resolution To appoint a Director in place of Shri Mukul Somany (DIN: 00124625), who retires by rotation and being eligible, offers himself for re-appointment.			
Special Business				
3.	By way of Special Resolution Appointment of Shri. Amal Chandra Saha (DIN: 00443348) as an Independent Director.			

Affix
Revenue
Stamp of
₹ 1/-

Signed this day of2019

Signature of Shareholder.....

Signature of Proxyholder(s).....

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Company's Registered Office not less than 48 hours before the commencement of the AGM at 10 a.m. on Wednesday, 18th September, 2019.
- A member entitled to attend and vote is entitled to appoint proxy to attend and on poll, to vote instead of himself/herself. A proxy need not be a member of the Company.
- If the Company receives multiple proxies for the same holding of a member, the proxy which is dated last shall be considered valid and if they are not dated or bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
- Signature of member should be across a Revenue Stamp of ₹ 1.

**HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.**

CIN: L26109WB1946PLC013294

Registered Office: 2, Red Cross Place, Kolkata-700 001

Telephone: (033) 2254-3100, Fax : (033) 2254-3130, Email : cosec@hngil.com, Website : www.hngil.com

ATTENDANCE SLIP

Folio No/DP ID & Client ID * (*Applicable to investors holding shares in dematerialised form)	
No. of Shares held	
Serial No	
Name of the Member	
Name(s) of Joint Holder(s), if any	
Address	

I/We hereby record my/our presence at the 73rd Annual General Meeting of the Company, to be held on Wednesday, 18th September, 2019 at 10.00 AM at CII-Suresh Neotia Centre of Excellence for Leadership, DC-36, Sector-I, Salt Lake City, Kolkata-700 064.

.....
Member's/Proxy's Signature

- Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- Shareholders/Proxy holder wishing to attend the meeting must bring his/her copy of Notice and Attendance Slip to the meeting and handover Attendance Slip at the entrance duly signed.
- Electronic copy of the Notice of AGM along with the Attendance Slip, Proxy Form & Ballot Form are being sent to all the members whose email address is registered with the Company/Depository Participant. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
- Physical copy of AGM Notice along with Attendance Slip, Proxy Form and Ballot Form are being sent through permitted mode to all members whose email is not registered.
- Route map of the venue can be viewed from Notice.**

Note : Please cut here and bring the above Attendance Slip to the Meeting.

**ELECTRONIC VOTING PARTICULARS**

EVEN (Electronic Voting Event Number)	User ID	Password
111359		

Note:

- Please refer to the AGM Notice for e-voting instructions.
- Commencement of E-voting time 9.00 a.m. (IST) on Sunday, 15th September, 2019 and end of E-voting by 5.00 p.m. (IST) on Tuesday, 17th September, 2019.
- The cut-off date (i.e. the record date) for the purpose of e-voting is Wednesday, 11th September, 2019.

