



**HARDCASTLE AND WAUD  
MANUFACTURING COMPANY LIMITED**

---

73<sup>rd</sup> Annual Report  
2018-2019

## BOARD OF DIRECTORS

**Banwari Lal Jatia**, *Managing Director*

**Om Prakash Adukia**

**Sunil Kantilal Trivedi**

**Rekha Abhishek Pacheria**

**Smita Jatia** (upto 11.07.2018)

**Govind Prasad Goyal** (upto 11.07.2018)

## AUDITORS

Messrs GMJ & Co.

## REGISTERED OFFICE

Mall Office, 2nd Floor, Metro Junction Mall of  
West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) 421306

## CORPORATE OFFICE

Gate No. 10, 1st Floor, Brabourne Stadium, 87 Veer Nariman Road,  
Mumbai 400 020

## REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg, Vikhroli (West)  
Mumbai – 400 083

## NOTICE

Notice is hereby given that the Seventy-third Annual General Meeting (AGM) of members of the Company will be held at the Registered Office of the Company at Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) 421306 on Monday, the 30th September, 2019 at 10.30 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019 together with reports of the Directors and the Auditors thereon.
2. To appoint a director in place of Mr Om Prakash Adukia (DIN: 00017001) who retires by rotation and, being eligible, offers himself for re-appointment.

If Mr Adukia is re-appointed then the re-appointment shall be subject to compliance with Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Sections 139 and 142 (1) of the Companies Act, 2013 and the rules made thereunder, M/s GMJ & Co., Chartered Accountants (Firm Registration No. 103429W) be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of five years, from conclusion of this 73rd Annual General Meeting until conclusion of 78th Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company on recommendation of the Audit Committee, from time to time."

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013 read with applicable rules and regulations, approval of members of the Company be and is hereby accorded for re-appointment/continuation of Mr Om Prakash Adukia (DIN:00017001), who retires by rotation and is past 75 years of age, as a non-executive director of the Company."

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

**"RESOLVED THAT** subject to relevant provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder and any other applicable law, Mr Banwari Lal Jatia be and is hereby re-appointed as Managing Director of the Company for a term of three (3) years with effect from 1st April, 2020 on the following terms and conditions:

1. The Managing Director shall, subject to the superintendence and control of the Board of Directors (hereinafter referred to as 'the Board') be in overall charge of the Company's activities and shall perform such other duties and services and exercise such other powers as shall from time to time be entrusted to him by the Board;
2. Remuneration – A monthly salary of ₹ 3,75,000 (Rupees Three Lacs Seventy Five Thousand) in the grade of 3,75,000 – 25,000 – 4,25,000;
3. The appointee shall also be eligible to the following perquisites which shall not be included in computation of the remuneration specified in the preceding clause:-
  - a) Contribution to provident fund, superannuation fund and/or annuity fund to the extent these are not taxable under the Income Tax Act, 1961;
  - b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
  - c) Encashment of leave at end of the tenure.

4. OTHERS:

- A) The appointee shall also be entitled to the following benefits:
  - i) Furnished accommodation (subject to payment of 10% of his monthly salary as rent) or House Rent Allowance equal to 50% of the monthly salary in lieu thereof (expenditure incurred by the Company on gas, electricity, water and furnishing shall be subject to a ceiling of 10% of his salary);

- ii) Actual medical expenses including hospitalization, nursing home charges, surgical charges and travelling expenses incurred for himself and family and premium for obtaining/ renewal of health insurance policy subject to a ceiling of one month's salary in a year or three month's salary over a period of three years;
  - iii) Personal Accident Insurance premium in accordance with Company's policies and practices;
  - iv) Fees of clubs subject to a maximum of two clubs excluding admission and life membership fees;
  - v) Annual leave with full pay and other benefits for a period of one month during every year which may be accumulated for a maximum of three months;
  - vi) Other leave as per Company's rules applicable to its executive staff;
  - vii) Leave Travel Assistance to cover air or first class air-conditioned railway fare for himself and family once in a year to and from any place;
  - viii) Provision of a Company-maintained chauffeur – driven car;
  - ix) Provision of telephone facilities at residence on Company's account;
  - x) Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
- B) The appointee shall be entitled to reimbursement of expenses actually and properly incurred in the course of legitimate business of the Company.

**"FURTHER RESOLVED THAT** the Board shall be at liberty to alter and/ or vary the terms and conditions of this appointment at any time but so as not to exceed the limits set out in the Act or as may be agreed between the Board and the appointee.

**"FURTHER RESOLVED THAT** Mr Banwari Lal Jatia while holding office as Managing Director shall not be subject to retirement by rotation nor be entitled to any sitting fee for attending any meeting of the Board or any committee thereof."

**Notes:**

1. A statement pursuant to Section 102 (1) of the Act, is annexed hereto.
2. A person entitled to attend and vote at the meeting is entitled to appoint one or more proxy to attend and vote instead of himself / herself and a proxy need not be a member of the Company.  
Proxies, in order to be effective, must be delivered / deposited at Registered Office of the Company not less than 48 hours before commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 28th September, 2019 to 30th September, 2019.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of their respective Board's Resolution authorizing their (named) representative to attend and vote on their behalf at the meeting, in advance.
5. As per regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (SEBI Listing Regulations) securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Holders of Company's equity shares in physical form may therefore consider to dematerialize their holding of securities. Procedure to dematerialize share(s) is available on the website of the Company.
6. Rule 3 of the Companies (Management & Administration) Rules, 2014 mandates that the Register of Members of a company should include details pertaining to e-mail address, Permanent Account Number or CIN, Unique Identification Number, if any; Father's/Mother's/Spouse's name, occupation, status and nationality; and in case the member is a minor, name of the guardian, date of birth of the minor, and name and address of the nominee. All members are requested to update their respective details with their depository participant (DP's) or Link Intime India Private Limited (RTA of the Company).
7. Members are requested to notify any change of address and to get their respective bank account details updated with their respective DP's or the RTA directly.
8. The notice of AGM is being sent to those members whose names appear in the register of members as on Friday, the 9th August, 2019.
9. A person, whose name is recorded in the register of members as on the cut-off date i.e. 24.09.2019 only shall be entitled to avail facility of remote e-voting as well as voting at the AGM through ballot paper, as the case may be. Voting rights of members shall be proportionate to their respective share in the paid-up equity capital of the Company as on the said cut-off date.
10. VOTING THROUGH ELECTRONIC MEANS:
  - I. Members can exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means. The facility of casting votes by 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. Facility for voting through ballot paper shall also be available at the AGM. 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 papers. There shall be no voting by show of hands at the AGM.
  - III. 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.

- IV. The remote e-voting period commences on Thursday, 26th September, 2019 (9.00 am) and ends on Sunday, 29th September, 2019 (5.00 p.m.). During this period, members holding shares as on the cut-off date of 24.09.2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled for voting thereafter. Once vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
- Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - Click on Shareholder – Login
  - Enter User ID and Password: -

Your User ID details are as below:

Shares held in Demat / Physical	Your User ID is:
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*****.
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*****
For Members holding shares in Physical Form	REVEN (remote e-Voting event number) followed by Folio Number registered with the company For example, if folio number is 001*** and REVEN is 101456 then user ID is 101456001***

Your Password is as per below:

- If you are already registered with NSDL for remote e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL remote e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you.
 

Following is the process to retrieve your initial password:

    - If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you by NSDL on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment i.e. a .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, as the case may be. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
    - If you are unable to retrieve or have not received the "initial password" or have forgotten your password, click on the following option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com):
      - "Forgot User Details/Password?" (If you are holding shares in demat mode)
      - "Physical User Reset Password?" (If you are holding shares in physical mode)
      - If you are still unable to get the password by following above, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name and your registered address.
    - Once you retrieve your 'initial password', enter the 'initial password' and click login. Password change menu appears, change the password with new password of your choice. Note new password.
  - Home page of remote e-Voting opens. Click on Active Voting Cycles
  - Select "REVEN" (remote e-Voting Event Number) of Hardcastle and Waud Mfg Co. Ltd.
  - Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - Upon confirmation, the message "Vote cast successfully" will be displayed.
- VI. In case of any queries, you may refer the FAQs and remote e-voting user manual for members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.:1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Members may also contact Ms Pallavi Mhatre, Manager, NSDL at telephone no.: 022 – 24994545, who will also address grievances pertaining to remote e-voting.
- VII. Any person, who acquires shares of the Company and becomes its member after Friday, the 9th August, 2019 and holding shares as of the cut-off date i.e. 24.09.2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or at [evoting@linkintime.co.in](mailto:evoting@linkintime.co.in).
11. Mr Shailesh Kachalia, (PCS - CP No.3888) will scrutinise voting at the AGM and remote e-voting process in a fair and transparent manner.

12. Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hawcoindia.in and on website of NSDL www.evoting.nsdl.com and the same shall also be communicated to the Bombay Stock Exchange, where shares of the Company are listed.
13. Route Map showing directions to reach venue of the AGM is provided in the Proxy Form.

**Registered Office**

Mall Office, 2nd Floor,  
Metro Junction Mall of  
West Pioneer Properties (India) Pvt. Ltd,  
Netivali, Kalyan (E) 421306

**Dated: 6th August, 2019**

**By Order of the Board of Directors**

**Smita Achrekar**  
**Company Secretary**

### Annexure to the Notice

**I. Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act").**

**Item No. 3**

At the 68th AGM of the Company held on 30.9.2014, M/s GMJ & Co., Chartered Accountants, were appointed as statutory auditors of the Company for a term of five years. The term of appointment of M/s GMJ & Co. will come to end at conclusion of this 73rd AGM.

Pursuant to applicable provisions of the Act, M/s GMJ & Co., are eligible for re-appointment for one more term of 5 years.

On recommendation of the Audit Committee, the Board of Directors of the Company has decided to propose re-appointment of the said Auditors for a further period of 5 years from conclusion of this 73rd AGM till the conclusion of the 78th AGM. The Audit Committee and the Board of Directors are of the view that it would be in the interest of the Company to re-appoint M/s GMJ & Co. and to continue with their services. Further the fees payable to them for their services shall be finalized by the Board of Directors of the Company on recommendation of its Audit Committee from time to time.

M/s GMJ & Co. have given their consent to act as the Statutory Auditors of the Company and have confirmed that the re-appointment, if made, will be in accordance with the conditions prescribed under the Act. Also no proceedings against the firm or any partner of the firm is pending with respect to professional matters of conduct.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is in anyway concerned or interested, financially or otherwise, in this Resolution.

The Board commends the Resolution, as set out at item no. 3 of the notice for approval of members.

**Item No. 4**

Pursuant to regulation 17 (1A) of SEBI Listing Regulations, no listed entity shall appoint a person as a non – executive director of the Company or continue the appointment of / directorship of any existing non – executive director of the Company, who has attained the age of seventy-five years unless a special resolution is passed to that effect.

Mr Om Prakash Adukia, a non – executive director, is past 75 years of age. A special resolution is required to be passed for his re-appointment and continuation as a director in the Company.

Mr Adukia possesses around 62 years' experience in industrial, business and financial management. He is on the Board of the Company since last 10 years and also holds directorship in various companies.

He is regular in attendance and committed to the Board contributing effectively during proceedings of its meetings. His guidance and advice have turned to be beneficial to the Company, its employees, shareholders and the stakeholders at large.

In view of above, your approval by way of special resolution is sought for re-appointment and continuation of Mr Om Prakash Adukia as a non – executive director of the Company.

The Board commends the special resolution as set out at item no. 4 for members' approval.

Mr Adukia is interested in the resolution. Also his relatives may be deemed to be interested to the extent of their respective shareholding, if any, in the Company.

Save and except above, none of the directors / key managerial personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

Requisite Details of Mr Om Prakash Adukia are furnished below:

1.	Age	82 years
2.	Qualifications	Commerce Graduate
3.	Experience/nature of expertise in specific functional areas	Possesses 62 years of experience in industrial, business and financial management.
4.	Terms and Conditions	Re-appointment as a non – executive Director of the Company
5.	Date of first appointment on the Board	1.5.2009
6.	Shareholding in the Company	Nil

7.	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any other Director, Manager or Key Managerial Personnel of the Company.
8.	Number of Board Meetings attended during the year	6 (Six)
9.	Other listed entities in which directorship held	1) West Leisure Resorts Limited 2) Winmore Leasing and Holdings Limited
*10.	Membership / Chairpersonship of Committees of other Boards of listed entities	1) Member of Audit Committee of West Leisure Resorts Limited 2) Member of Stakeholders Relationship Committee of Winmore Leasing and Holdings Limited

\*Only Membership and Chairpersonship of Audit Committee and Stakeholders' Relationship Committee of listed entities considered.

**Item No. 5**

Mr Banwari Lal Jatia, Managing Director of the Company was appointed for a tenure of three years with effect from 1st April, 2017 vide members' Special Resolution dated 30th September, 2016.

Mr Jatia has completed 75 years of age and in view of provisions of Section 196(3) of the Act and based on recommendation of the Nomination and Remuneration Committee, Members' approval is being sought for re-appointment of Mr Jatia for a period of 3 years effective from 1st April, 2020.

Considering Mr Jatia's vast experience in various facets of industry and business and his long association with the Company, the Board recommends the resolution at item no. 5 of the Notice for members' approval.

Mr Jatia, director of the Company and his relatives may be deemed to be interested in the resolution, to the extent of their respective shareholding, if any, in the Company.

Save and except the above, none of the other directors / key managerial personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

Statement as required under Clause (B) of Section II of Part II of Schedule V of the Act with respect to the aforesaid item No. 5 appears below:

**I. GENERAL INFORMATION:**

Sr. No.	Particulars of candidate	
1.	Nature of Industry	Trading
2.	Date or expected date of commencement of commercial production	Not Applicable
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	See annexure "A" below
5.	Foreign Investments or collaborations, if any	Nil

**II. INFORMATION ABOUT THE APPOINTEE:**

Sr. No.	Particulars of candidate	
1.	Name	Mr Banwari Lal Jatia (DIN:00016823)
2.	Age	76 years
3.	Qualifications	Holds B.Com and LLB Degrees from University of Mumbai
4.	Terms and Conditions	As Managing Director for a period of three years w.e.f. 1.4.2020; not liable to retire by rotation
5.	Date of first appointment on the Board	26.5.1994
6.	Number of Board Meetings attended during the year	6(Six)
7.	Background details / Experience	Over 50 years of experience in paper, textiles, chemicals, food processing, mining, healthcare, investments, finance and retail sectors.
8.	Past Remuneration	Was last appointed as Managing Director in the grade of ₹ 3,00,000-25,000-3,50,000 p.m. for 3 years w.e.f. 1.4.2017 and with other perquisites and benefits.
9.	Recognition or awards	-

10.	Job profile and his suitability	Overall charge of running affairs of the Company subject to superintendence and control of the Board of Directors and performing such other duties and services as entrusted by the Board from time to time. He has managed the affairs of the Company successfully for the past 25 years and is thus eminently suited for the office.
11.	Remuneration proposed	Monthly salary in the grade of ₹ 3,75,000-25,000-4,25,000 with other perquisites and benefits.
12.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is comparable with the remuneration drawn by peers
13.	Shareholding in the Company	6028 Equity Shares
14.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Mr Jatia is a promoter of the Company. He along with the other members of promoter group holds/controls 73.47 % of equity capital of the Company. He has no relationship with the managerial personnel of the Company.
15.	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any other Director, Manager or Key Managerial Personnel of the Company.
16.	Other listed entities in which directorship held	Westlife Development Limited
*17.	Membership / Chairpersonship of Committees of other Boards of listed entities	Chairperson of Stakeholder Relationship Committee of Westlife Development Limited

\*Only Membership and Chairpersonship of Audit Committee and Stakeholders' Relationship Committee of listed entities considered.

### III. OTHER INFORMATION:

Sr. No.	Particulars	
1.	Reasons of loss or inadequate profits	Overall depressed economy
2.	Steps taken or proposed to be taken for improvement	Reducing costs and exploring new income avenues
3.	Expected increase in productivity and profits in measurable terms	Not Quantifiable

The above information may be treated as a written Memorandum setting out the terms of re-appointment of Mr Banwari Lal Jatia under Section 190 of the Act.

### ANNEXURE A Financial performance of the Company

Particulars	For 3 months ended 30.06.2019 (Unaudited) (₹ in Hundreds)	Financial Year 2018-2019 (Audited) (₹ in Hundreds)	Financial Year 2017 – 2018 (Audited) (₹ in Hundreds)
Revenue from Operations	58,483.81	2,88,637.07	4,21,429.84
Other Income	3,106.11	19,974.04	12,702.93
Total Expenditure	65,962.40	2,89,880.59	3,03,823.65
Profit / (Loss) before tax	(4,372.48)	18,730.52	1,30,309.12
Tax expenses	10,505.82	6,747.18	21,189.99
Net Profit / (Loss)	(14,878.30)	11,983.34	1,09,119.13

#### Registered Office

Mall Office, 2nd Floor, Metro Junction Mall of  
West Pioneer Properties (India) Pvt. Ltd,  
Netivali, Kalyan(E) 421306

Dated: 6th August, 2019

By Order of the Board of Directors

Smita Achrekar  
Company Secretary

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in placing before you the Seventy-third Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2019 and Management Discussion and Analysis.

### 1. FINANCIAL RESULTS AND APPROPRIATIONS:

Particulars	Year Ended March 31, 2019 (₹ Lakhs)	Previous Year March 31, 2018 (₹ Lakhs)
Profit before Interest, and Depreciation	56.78	169.64
Interest	0.31	-
Depreciation	37.74	39.33
Profit before Taxation	18.73	130.31
Provision for Taxation	-	17.17
Deferred Tax	6.23	2.60
Income Tax for earlier years	0.52	1.42
Net Profit after Taxation	11.98	109.12
Other Comprehensive Income	(8.61)	4.78
Total Comprehensive Income for the year	3.37	113.90
Balance b/f from previous year	-876.61	-990.51
Total Available	-873.24	-876.61
Transferred to General Reserve	-	-
Carried Forward	-873.24	-876.61

In view of accumulated loss no dividend is being recommended.

### 2. OPERATIONS:

The Company has registered a turnover of ₹ 288.64 Lakhs this year as against ₹ 421.43 Lakhs during the previous year. The significant decline of 46.01% is due to lower revenue through investment activities. The Total Income for the year ended March 31, 2019 was at ₹ 308.61 Lakhs as compared to ₹ 434.13 Lakhs in the last year. Consequently, profit after tax for the current year stood at Rs 11.98 lakhs as against ₹ 109.12 lakhs during the previous year.

The Company hopes to perform better in the future.

### 3. MANAGEMENT DISCUSSION AND ANALYSIS:

The Company's business activity currently consists of Industrial Chemicals, Investments and Leasing. During the year under review, revenue from industrial segment was ₹ 150.51 lakhs compared to ₹ 167.68 lakhs in the previous year, revenue from investments was ₹ 7.14 lakhs in comparison to ₹ 128.32 lakhs in the previous year, while leasing activity yielded a revenue of ₹ 130.99 lakhs as compared to ₹ 125.43 lakhs in the earlier year. Decrease in income from investment activity has affected overall performance of the Company.

The Company is focusing on increase in revenue and reduction in costs. Efforts are also continuously being made in looking out for other business opportunities.

The Company has in place internal financial control systems, commensurate with its size and the nature of its operations to ensure proper recording of financial and operational transactions / information and compliance of various internal controls and other regulatory and statutory compliances. The internal auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company. The observations arising out of the internal audits are periodically reviewed at appropriate level and summaries along with corrective actions plans, if any, are submitted to the management and Audit Committee for review, comments and directions. The concerned departments undertake corrective action in their respective areas and thereby strengthen the controls.

The Company did not enter into any transaction(s) with any person(s) or entity belonging to the promoter / promoter group who hold 10% or more shareholding in the Company. Information pertaining to financial performance forms part of this Report.

There were no material developments in the Company's Human Resource Capital except superannuation of the Chief Financial Officer effective 1st January, 2019. Industrial relations continue to be cordial.

### RATIOS

Key Financial Ratios

- Interest Coverage Ratio was 61 which indicates strong financial health and capability of meeting interest obligations. During the earlier year (2017-18) there was no interest outgo due to NIL borrowing.
- Similarly, Debt Equity Ratio was at 0.01 as compared to the previous year's 0.00. The extremely low debt to equity ratio is indicative of strong ability to repay debt obligations.
- Return on Net Worth decreased from 3.10% in 2017-18 to 0.09 during the current year due to decrease in profit after tax from ₹ 114 lakhs to ₹ 3 lakhs due to Fair Value measurements during the current year apart from fall in earnings from investment activity.

### 4. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- At the 72nd Annual General Meeting (AGM) held on 27.09.2018, Mr Om Prakash Adukia (DIN: 00017001) was re-appointed as a director of the Company.



- b) Also, members' approval was accorded for continuation of appointment of Mr Om Prakash Adukia (DIN: 00017001) as a non-executive director of the Company, pursuant to regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
- c) Mr Govind Prasad Goyal (DIN: 00017294) and Mrs Smita Jatia (DIN: 03165703) resigned as directors of the Company w.e.f. 11.07.2018.
- d) During the year, Mr Narendra Abhichandani, Chief Financial Officer ("CFO") of the Company retired effective from close of 31.12.2018. Ms Shivani Bhargava has since been appointed in place of Mr Abhichandani as CFO of the Company w.e.f. 22nd April, 2019.
- e) Mr Om Prakash Adukia (DIN: 00017001) retires by rotation at the ensuing AGM but being eligible offers himself for re-appointment. Since Mr Adukia has already crossed age of 75 years a Special Resolution for his continued appointment as a non – executive director of the Company is being proposed for consideration of the members at the ensuing Annual General Meeting of the Company in compliance with the requirement of Regulation 17 (1A) of the Listing Regulations.
- f) Requisite declarations have been received from the independent directors of the Company under Section 149(7) of the Companies Act, 2013 (the Act) regarding meeting the criteria of independence laid down in Section 149 (6) of the Act.
- g) Board Evaluation:  
Pursuant to the Act and the Listing Regulations the Board has carried out an annual performance evaluation of its own performance, of the Directors individually, as well as the evaluation of working of its Audit, Nomination and Remuneration and other Committee of the Board. The performance of Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting. Evaluation of performance of Independent Directors was carried out by the entire Board of Directors, excluding the director being evaluated. The directors expressed satisfaction with the evaluation process and the results thereof.
- h) Meetings:  
During the year 6 board meetings were convened and held.

#### 5. AUDIT COMMITTEE:

Composition of the Audit Committee is given in the Corporate Governance Report, which forms part of this Report.

Board of Directors of the Company has accepted all recommendations of its Audit Committee during Financial Year 2018 – 2019. The Company has in place a vigil mechanism for directors and employees, to report genuine concerns about any wrongful act and any unethical conduct with respect to the Company or its business affairs to the Audit Committee which oversees functioning of the said mechanism.

#### 6. NOMINATION AND REMUNERATION COMMITTEE (NRC):

The NRC comprises of three members of which two including the Chairperson are Independent Directors.

Salient features of the policy include, having an appropriate mix of executive, non - executive and independent directors primarily to maintain independence. NRC assesses independence of directors at time of appointment / re-appointment as well as annually. NRC takes into consideration various factors as specified in the policy while considering any remuneration to be paid to directors, key managerial personnel and other employees, etc.

The Policy is available on the Company's website [www.hawcoindia.in](http://www.hawcoindia.in) under the section 'Policies'.

#### 7. RISK MANAGEMENT:

In the Boards' perception, there are no foreseeable risks which could threaten the existence of the Company.

#### 8. UNCLAIMED SHARE CERTIFICATES:

As reported earlier, the Company had in accordance with the Listing Regulations transferred on 27.5.2016 to a separate demat account in the Company's name 9778 unclaimed shares of the Company belonging to 79 shareholders who had failed to exchange their old certificates for new certificates in the Company allotted to members pursuant to a Scheme of Arrangement between the Company and Vesna Agencies Pvt Ltd (Hawcoplast Chemicals Ltd) even after many reminders by the Company. At end of the year, the number of shareholders and the outstanding shares lying in the suspense account is 78 and 9650 respectively.

During the year no request for exchange of shares has been received by the Company.

The voting rights on these unclaimed shares remain frozen till the rightful owner(s) claim(s) the shares.

Members who have not yet collected / claimed their share certificates can still do so through the Company's Registrars and Share Transfer Agent.

#### 9. AUDITORS:

The term of appointment of M/s GMJ & Co., Chartered Accountants, Statutory Auditors shall come to an end on conclusion of the forthcoming AGM.

In accordance with provisions of Section 139 of the Act, M/s GMJ & Co. are proposed to be re-appointed as statutory auditors of the Company for a further period of 5 years commencing from conclusion of the ensuing AGM till conclusion of the 78th AGM of the Company.

M/s GMJ & Co. have provided their consent to act as statutory auditors of the Company and have confirmed that their re-appointment, if made, will be in accordance with Section 139 read with Section 141 of the Act and applicable rules made thereunder.

Members are requested to re-appoint M/s GMJ & Co. as statutory auditors of the Company for a further period of 5 years and grant requisite authorization to fix their remuneration.

**10. AUDITORS' REPORT:**

The Auditors' Report does not contain any reservation, qualification or adverse remark.

**11. SECRETARIAL AUDIT:**

A Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed hereto as 'Annexure I'.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**12. LOANS GUARANTEES OR INVESTMENTS:**

Details of investments made appear in notes to the financial statements. No loan was given and no guarantee or security was provided by the Company on behalf of others during the year.

**13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered into by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis.

During the year, the Company did not enter into any materially significant transactions that may have potential conflict with interest of the Company.

**14. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There were no foreign earnings during the year, whereas the foreign exchange outgo was of ₹ 7,34,276.

**15. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

None of the three criteria specified in Section 135(1) of the Act relating to CSR is applicable to the Company.

**16. SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

The Company does not have any subsidiary, joint venture or associate.

**17. PARTICULARS OF EMPLOYEES:**

a. Required particulars of employees under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as 'Annexure - II' to this report.

b. There are no employees covered by Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**18. EXTRACT OF ANNUAL RETURN:**

An extract of the Company's annual return for the year ended 31st March, 2019 in Form MGT-9 is annexed hereto as 'Annexure III'. The same is also available on the website of the Company at [www.hawcoindia.in](http://www.hawcoindia.in) under the section 'Disclosures'.

**19. CORPORATE GOVERNANCE:**

A report on Corporate Governance as stipulated under Schedule V of the Listing Regulations has been attached to this Annual Report.

A certificate from Mr Shailesh Kachalia, a practicing Company Secretary, regarding compliance with conditions of Corporate Governance as stipulated in SEBI's Listing Regulations is annexed to this Report as 'Annexure IV'.

**20. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to provisions of Section 134(3)(c) read with Section 134(5) of the Act, your directors state that:

- (a) In preparation of the annual accounts, applicable accounting standards have been followed alongwith proper explanations relating to material departures;
- (b) Accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year and of its profit for that period;
- (c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Internal financial controls to be followed by the Company have been laid down and such internal financial controls are adequate and operating effectively; and
- (f) Proper systems have been devised to ensure compliance with provisions of all applicable laws and such systems are adequate and operating effectively.

**21. MAINTENANCE OF COST RECORDS:**

The Government of India has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any activities of the Company, thus the Company is not required to maintain cost records.

**22. SECRETARIAL STANDARDS OF ICSI:**

The Company is in compliance with the Secretarial Standards on Meetings of Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India.

**23. GENERAL:**

Your directors state that no disclosure or reporting is required for the following as there were no transactions of the types covered thereby, during the year;

- i. Details relating to Deposits covered under Chapter V of the Act;
- ii. Issue of equity shares with differential rights as to dividend, voting or otherwise;
- iii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme;

- iv. No significant or material orders were passed by Regulators or Courts or Tribunals which impact the Company's going concern status and operations in the future;
- v. No material changes and commitments have occurred after close of the year till the date of this report, which might affect the financial position of the Company; and
- vi. No fraud is reported by auditors under Section 143(12) of the Act.

Your directors further state that, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harrassment of Women at Workspace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review there were no complaints filed under the said Act.

**ACKNOWLEDGEMENTS:**

The Board sincerely thanks all stakeholders for their continued support.

**For and on behalf of the Board**

**Banwari Lal Jatia**  
**Managing Director**  
 (DIN: 00016823)

**Om Prakash Adukia**  
**Director**  
 (DIN: 00017001)

**Dated: 6th August, 2019**

**ANNEXURE - I**  
**SECRETARIAL AUDIT REPORT**

For Financial Year ended 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
 Members of  
 Hardcastle And Waud Mfg Co. Limited,

I have conducted Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices by Hardcastle And Waud Mfg Co. Limited (hereinafter called 'the Company'). The audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conduct and statutory compliances of the Company and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by it and also the information provided by the Company, its officers, during conduct of the audit, I hereby report that in my opinion, the Company has, during the financial year ended on 31st March, 2019 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 the Company for the financial year ended on 31st March, 2019 according to provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. The 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 prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
  - (d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

**I further report that** there were no events / actions covered by:

- a) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018;
  - b) SEBI (Share Based Employee Benefits) Regulations, 2014;
  - c) SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
  - d) SEBI (Delisting of Equity Shares) Regulations, 2009; and
  - e) SEBI (Buyback of Securities) Regulations, 1998 and 2018;
- requiring compliance thereof by the Company during the Audit period.
- vi. Other Applicable Laws:
    - a. The Maharashtra Stamp Act, 1958;
    - b. Bombay Shops and Establishments Act, 1948;
    - c. Factories Act, 1948; and

d. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and all other applicable laws for time being.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the BSE Ltd.

During the year under review the Company has complied with provisions of the Acts, Rules, Regulations, Standards, etc. mentioned above.

**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 year under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all directors to schedule board meetings and agenda thereof are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before meetings and for meaningful participation at the meetings.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committee(s) of the Board.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards etc.

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

**I further report that**, compliance by the Company of applicable laws like direct and indirect tax laws etc and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by Statutory financial audit and other designated professionals.

**Place: Mumbai**  
**Date: 29th July, 2019**

**Sd/-**  
**Shailesh A. Kachalia**  
**FCS No. 1391**  
**C P No. 3888**

### ANNEXURE II

#### REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL / EMPLOYEES;

Information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Sr No.	Name	Designation	Remuneration F Y 2018-19 ₹ in lakhs	% Increase in remuneration 2018-19	Ratio / Times per Median of employee remuneration
1	Mr Banwari Lal Jatia	Managing Director	Nil	Not quantified as the incumbent did not draw remuneration during the current year	
2	Mr Narendra Abhichandani	Chief Financial Officer	9.04	Not quantified as the incumbent did not draw remuneration during part of the current year	
3	Mrs Smita Achrekar	Company Secretary	10.31	33.90	---

The median remuneration of employees (6 Nos) of the Company during the financial year was ₹ 8.17 lakhs (increase of 3.11% over 2017-2018).

**Note:**

The Remuneration paid is in consonance with the Remuneration Policy of the Company.

### ANNEXURE III

#### FORM NO. MGT 9

Extract of Annual Return for the financial year ended 31.03.2019  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and  
Rule 12 (1) of the Companies (Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS :**

i	CIN	L99999MH1945PLC004581
ii	Registration Date	15th October, 1945
iii	Name of the Company	Hardcastle And Waud Mfg Co. Ltd
iv	Category/Sub-category of the Company	Public Limited Company / Limited by Shares
v	Address of the Registered office & contact details	Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E), Thane 421306 Tel No.022-22837658-63. Fax No. 022-22873176 E-mail Id: ho@hawcoindia.com , Website: www.hawcoindia.in

vi	Whether listed company	Yes
vii	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Phone : 022 49186270 Fax: 022 49186060 e-mail : rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Industrial Chemicals	46691	52.14
2	Leasing Activities	7730	45.38

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

Sr. No.	Name & Address of the Company	CIN/ GLN	Holding / Subsidiary/ Associate	% of Shares held	Applicable Section
NIL					

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)****i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at beginning of the year (As on 01.04.2018)				No. of Shares held at end of the year (As on 31.03.2019)				% of change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
<b>(1) Indian</b>										
a)	Individual/HUF	30,347	0	30,347	4.47	30,347	0	30,347	4.47	0
b)	Central Govt.	0	0	0	0	0	0	0	0	0
c)	State Govt (s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corporate	4,56,248	0	4,56,248	67.15	4,56,248	0	4,56,248	67.15	0
e)	Bank/FI	0	0	0	0	0	0	0	0	0
f)	Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1) :</b>		<b>4,86,595</b>	<b>0</b>	<b>4,86,595</b>	<b>71.62</b>	<b>4,86,595</b>	<b>0</b>	<b>4,86,595</b>	<b>71.62</b>	<b>0</b>
<b>(2) Foreign</b>										
a)	NRI- Individuals	12,588	0	12,588	1.85	12,588	0	12,588	1.85	0
b)	Other Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Bank/FI	0	0	0	0	0	0	0	0	0
e)	Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2) :</b>		<b>12,588</b>	<b>0</b>	<b>12,588</b>	<b>1.85</b>	<b>12,588</b>	<b>0</b>	<b>12,588</b>	<b>1.85</b>	<b>0</b>
<b>Total Shareholding of Promoters</b>		<b>4,99,183</b>	<b>0</b>	<b>4,99,183</b>	<b>73.47</b>	<b>4,99,183</b>	<b>0</b>	<b>4,99,183</b>	<b>73.47</b>	<b>0</b>
<b>(A) = (A) (1) + (A) (2)</b>										
<b>B. Public Shareholding</b>										
<b>(1) Institutions</b>										
a)	Mutual Funds	0	560	560	0.08	0	560	560	0.08	0
b)	Banks/FI	0	0	0	0	0	0	0	0	0
c)	Central Govt.	0	0	0	0	0	0	0	0	0
d)	State Govt(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	FIs	0	0	0	0	0	0	0	0	0
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others	0	0	0	0	0	0	0	0	0
<b>Sub Total (B) (1) :</b>		<b>0</b>	<b>560</b>	<b>560</b>	<b>0.08</b>	<b>0</b>	<b>560</b>	<b>560</b>	<b>0.08</b>	<b>0</b>

Category of Shareholders	No. of Shares held at beginning of the year (As on 01.04.2018)				No. of Shares held at end of the year (As on 31.03.2019)				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies Corporates									
i) Indian	65,159	2,540	67,699	9.96	64,516	2,540	67,056	9.87	-0.09
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	76,755	19,300	96,055	14.14	76,526	18,146	94,672	13.93	-0.21
ii) Individuals shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others									
i. Non-Resident Indian	1,269	26	1,295	0.19	1,411	26	1,437	0.21	0.02
ii. HUF	4,473	0	4,473	0.66	5,078	0	5,078	0.75	0.09
iii. Clearing Members	559	0	559	0.08	1,838	0	1,838	0.27	0.19
iv) Hardcastle & Waud Mfg Co Ltd. Unclaimed Suspense Account	9,650	0	9,650	1.42	9,650	0	9,650	1.42	0
<b>Sub Total (B) (2) :</b>	<b>1,57,865</b>	<b>21,866</b>	<b>1,79,731</b>	<b>26.45</b>	<b>1,59,019</b>	<b>20,712</b>	<b>1,79,731</b>	<b>26.45</b>	<b>0</b>
<b>Total Public shareholding (B) = (B) (1) + (B) (2)</b>	<b>1,57,865</b>	<b>22,426</b>	<b>1,80,291</b>	<b>26.53</b>	<b>1,59,019</b>	<b>21,272</b>	<b>1,80,291</b>	<b>26.53</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>6,57,048</b>	<b>22,426</b>	<b>6,79,474</b>	<b>100</b>	<b>6,57,048</b>	<b>22,426</b>	<b>6,79,474</b>	<b>100</b>	<b>0</b>

**ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at beginning of the year (As on 01.04.2018)			Shareholding at end of the year (As on 31.03.2019)			% of change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Winmore Leasing & Holdings Ltd	2,98,946	44.00	0	2,98,946	44.00	0	0
2	Shri Ambika Trading Co. Pvt. Ltd	78,705	11.58	0	78,705	11.58	0	0
3	Saubhagya Impex Pvt. Ltd	50,051	7.37	0	50,051	7.37	0	0
4	Achal Exim Pvt. Ltd	18,606	2.74	0	18,606	2.74	0	0
5	Shri Anurag Jatia	12,588	1.85	0	12,588	1.85	0	0
6	Amit Jatia HUF	10,070	1.48	0	10,070	1.48	0	0
7	Vishwas Investment & Trading Co. Pvt. Ltd	9,420	1.39	0	9,420	1.39	0	0
8	Smt Smita Jatia	6,586	0.97	0	6,586	0.97	0	0
9	Shri Banwari Lal Jatia	6,028	0.89	0	6,028	0.89	0	0
10	Smt Lalita Devi Jatia	5,543	0.82	0	5,543	0.82	0	0
11	Shri Amit Jatia	1,948	0.29	0	1,948	0.29	0	0
12	Horizon Impex Pvt. Ltd	490	0.07	0	490	0.07	0	0
13	Smt Usha Devi Jatia	170	0.03	0	170	0.03	0	0
14	Subh Ashish Exim Pvt. Ltd	20	0	0	20	0	0	0
15	Shri Akshay Jatia	1	0	0	1	0	0	0
16	Shri Ayush Jatia	1	0	0	1	0	0	0
17	Anand Veena Twisters Pvt. Ltd	1	0	0	1	0	0	0
18	Houghton Hardcastle (India) Pvt. Ltd	1	0	0	1	0	0	0
19	Hawcoplast Investments & Trading Ltd	1	0	0	1	0	0	0
20	Hardcastle Petrofer Private Limited	1	0	0	1	0	0	0

Sl. No	Shareholder's Name	Shareholding at beginning of the year (As on 01.04.2018)			Shareholding at end of the year (As on 31.03.2019)			% of change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
21	Vandeep Trade Links Private Limited	1	0	0	1	0	0	0
22	Acacia Impex Private Limited	1	0	0	1	0	0	0
23	Amit BL Properties Private Limited	1	0	0	1	0	0	0
24	Concept Highland Business Private Limited	1	0	0	1	0	0	0
25	Akshay Ayush Impex Private Limited	1	0	0	1	0	0	0
26	Hawco Petrofer LLP	1	0	0	1	0	0	0
<b>Total</b>		<b>4,99,183</b>	<b>73.47</b>	<b>0</b>	<b>4,99,183</b>	<b>73.47</b>	<b>0</b>	<b>0</b>

**iii) Change in Promoters Shareholding (Specify if there is No Change)**

	Shareholding at beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)		
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1	At the beginning of the year	4,99,183	73.47	4,99,183	73.47
2	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change	No Change	No Change	No Change
<b>3</b>	<b>At the end of the year</b>	<b>4,99,183</b>	<b>73.47</b>	<b>4,99,183</b>	<b>73.47</b>

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sr. No.	Shareholder's Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No of shares at the beginning of the year (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Bay Capital Advisors Pvt. Ltd	12,150	1.79	01.04.2018	-	-	12,150	1.79
				21.12.2018	36,825	Transfer	48,975	7.21
		48,975	7.21	31.03.2019	-	-	48,975	7.21
2	Discovery Financial Services Pvt. Ltd	7,000	1.03	01.04.2018	-	-	7,000	1.03
		7,000	1.03	31.03.2019	-	-	7,000	1.03
3	Shri Vijay Aggarwal	5,000	0.74	01.04.2018	-	-	5,000	0.74
		5,000	0.74	31.03.2019	-	-	5,000	0.74
4	Marudhar Vyapaar Pvt. Ltd	3,000	0.44	01.04.2018	-	-	3,000	0.44
		3,000	0.44	31.03.2019	-	-	3,000	0.44
5	Shri Kamlesh Himatlal Shah	2,289	0.34	01.04.2018	-	-	2,289	0.34
		2,289	0.34	31.03.2019	-	-	2,289	0.34
6	Sikkim Jansewa Pratisthan Pvt. Ltd	2,000	0.29	01.04.2018	-	-	2,000	0.29
		2,000	0.29	31.03.2019	-	-	2,000	0.29
7	Shri Raichand Sethia	1,855	0.27	01.04.2018	-	-	1,855	0.27
		1,855	0.27	31.03.2019	-	-	1,855	0.27
8	Smt. Sushiladevi Somani	1,597	0.24	01.04.2018	-	-	1,597	0.24
		1,597	0.24	31.03.2019	-	-	1,597	0.24
9	Shri Tapan Kumar Dey	1,450	0.21	01.04.2018	-	-	1,450	0.21
		1,450	0.21	31.03.2019	-	-	1,450	0.21
10	Dorothy Dsouza	1,400	0.21	01.04.2018	-	-	1,400	0.21
		1,400	0.21	31.03.2019	-	-	1,400	0.21

**v) Shareholding of Directors & Key Managerial Personnel**

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning of the year (01.04.2018) / end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Shri Banwari Lal Jatia	6,028	0.89	01.04.2018	-	-	6,028	0.89
		6,028	0.89	31.03.2019	-	-	6,028	0.89

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(₹ Lakhs)

	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2018)</b>				
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	50.0	-	50.00
Reduction	-	(25.00)	-	(25.00)
<b>Net Change</b>	-	<b>25.00</b>	-	<b>25.00</b>
<b>Indebtedness at the end of the financial year (31.3.2019)</b>				
i. Principal Amount	-	25.00	-	25.00
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	00.01	-	00.01
<b>Total (i + ii + iii)</b>	-	<b>25.01</b>	-	<b>25.01</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A) Remuneration to Managing Director, Whole time Directors and / or Manager:**

Sr No	Particulars of Remuneration	Name of MD		Total Amount ₹ Lakhs
		Shri Banwari Lal Jatia		
1	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		0	0
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961		-	-
(c)	Profits in lieu of Salary under section 17(3) of Income Tax Act, 1961		-	-
2	Stock Option		-	-
3	Sweat Equity		-	-
4	Commission - as % of Profit		-	-
5	Others		-	-
	<b>Total (A)</b>		0	0
	<b>Ceiling as per the Act</b>			<b>60.00</b>

**B) Remuneration to other Directors:**

Sr No	Particulars of Remuneration	Name of the Director			Total Amount ₹ Lakhs
		Shri Sunil Kantilal Trivedi	Smt Rekha Abhishek Pacharia	Shri Govind Prasad Goyal (upto 11.07.2018)	
<b>1</b>	<b>Independent Directors</b>				
(a)	Fee for attending board and committee meetings	0.18	0.18	0.02	0.38
(b)	Commission	-	-	-	-
(c)	Others	-	-	-	-
	<b>Total (1)</b>	<b>0.18</b>	<b>0.18</b>	<b>0.02</b>	<b>0.38</b>



2 Other Non-Executive Directors		Shri Om Prakash Adukia	Smt. Smita Jatia (upto 11.07.2018)	
(a)	Fee for attending board and committee meetings	0.18	0.02	0.20
(b)	Commission	-	-	-
(c)	Others	-	-	-
	<b>Total (2)</b>	0.18	0.02	0.20
	<b>Total (B) = 1 + 2</b>			<b>0.58</b>
	<b>Total Managerial Remuneration</b>			<b>0.58</b>
	<b>Overall Ceiling as per the Act.</b>			<b>60.58</b>

**C) Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD:**

Sr No	Particulars of Remuneration	Name of KMP		Total Amount (₹ Lakhs)
		Shri Narendra Abhichandani – CFO (upto 31.12.2018)	Smt Smita Achrekar – Company Secretary	
1	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8.50	10.31	18.81
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.55	0.00	0.55
(c)	Profits in lieu of Salary under section 17(3) of Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of Profit	-	-	-
5	Others	-	-	-
	<b>Total</b>	<b>9.05</b>	<b>10.31</b>	<b>19.36</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made if any (give details)
A. COMPANY Penalty Punishment Compounding					
B. DIRECTORS Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					

**ANNEXURE IV**  
COMPLIANCE CERTIFICATE

To  
Members  
Hardcastle And Waud Mfg Co. Ltd.  
Kalyan

I have examined the Company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2019.

Compliance of conditions of corporate governance is responsibility of the management. My examination was limited to the procedures adopted by the Company for ensuring compliance of conditions of Corporate Governance and implementation thereof. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have conducted my review on the basis of relevant records and documents maintained by the Company and furnished to me for review and of the information and explanations given to me by the Company.

Based on such review, and to the best of my information and according to the explanations given to me, in my opinion, the Company has complied with the conditions of Corporate Governance.

Place : Mumbai  
Date : 29th July, 2019

Sd/-  
Shailesh A Kachalia  
CP 3888  
Company Secretary

## 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 widest sense.

Your Company believes that good Corporate Governance emerges from the application of best and sound management practices and compliance with laws coupled with adherence to highest standards of transparency and business ethics for all its stakeholders viz. shareholders, employees, customers etc.

### 2) BOARD OF DIRECTORS:

(a) Composition and Category of Directors as at 31.3.2019:

Sr No.	Name of Director	Category	No. of other Directorship held as on 31.03.2019	Directorship in other listed entity (Category of Directorship)	@ No. of Board Committees (Other than Hawco) in which Chairman/Member		Relationship with other Directors inter-se
					Chairman	Member	
1	Mr Banwari Lal Jatia (DIN:00016823)	Promoter, Executive	14	Westlife Development Limited- Non Executive Director	1	1	} Not related to any other Director of the Company
2	Mr Om Prakash Adukia (DIN:00017001)	Non-Executive	4	1. Winmore Leasing and Holdings Limited - Executive Director 2. West Leisure Resorts Limited - Executive Director	1	3	
3	Mr Sunil Kantilal Trivedi (DIN:00387797)	Independent, Non-Executive	2	-	-	1	
4	Mrs Rekha Abhishek Pacheria (DIN:07415573)	Independent, Non-Executive	3	-	-	-	

@ - Member includes Chairman. Only memberships of Audit Committee and Stakeholders' Relationship Committee of public limited companies are included.

(b) Number of Board Meetings held, dates on which held and attendance of each director at meetings of the Board of Directors and at the last Annual General Meeting:  
During the year under review 6 Board meetings were held.

Sr No.	Name of the Director	Dates of Board Meeting and its Attendance						Date of Last AGM and its Attendance
		29.05.2018 at 1.00 PM	29.05.2018 at 4.00 PM	11.07.2018	14.08.2018	13.11.2018	07.02.2019	
1	Mr Banwari Lal Jatia (DIN:00016823)	Attended	Attended	Attended	Attended	Attended	Attended	Attended
2	Mr Om Prakash Adukia (DIN:00017001)	Attended	Attended	Attended	Attended	Attended	Attended	Attended
3	Mr Sunil Kantilal Trivedi (DIN:00387797)	Attended	Attended	Attended	Not Present	Attended	Attended	Attended
4	Mrs Rekha Abhishek Pacheria (DIN:07415573)	Attended	Attended	Attended	Attended	Attended	Attended	Not Present
5	Mrs Smita Jatia (upto 11.7.2018) (DIN:03165703)	Not Present	Not Present	Attended	N.A.	N.A.	N.A.	N.A.
6	Mr Govind Prasad Goyal (upto 11.7.2018) (DIN:00017294)	Not Present	Not Present	Attended	N.A.	N.A.	N.A.	N.A.

- (c) Number of equity shares of the Company held by non-executive directors as at 31.3.2019:

	No. of equity shares held
i) Mrs Smita Jatia (upto 11.7.2018)	6,586
ii) Mr Om Prakash Adukia	Nil
iii) Mr Sunil Kantilal Trivedi	Nil
iv) Mrs Rekha Abhishek Pacharia	Nil
v) Mr Govind Prasad Goyal (upto 11.7.2018)	Nil

- (d) The Board has identified the following skills/expertise/competencies as fundamental for the effective functioning of the Company which are currently available with the Board:

Business	Understanding of Business dynamics, across the industrial sector and regulatory jurisdictions.
Strategy	Appreciation of long – term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long – term effective stakeholder engagements and driving corporate ethics and values.

- (e) Independent Directors confirmation:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (“the Act”) and Regulation 16(1) (b) of the Listing Regulations. In opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

- (f) During the year under review, Mr Govind Prasad Goyal resigned w.e.f. 11.7.2018 due to personal reasons.

### 3) AUDIT COMMITTEE:

- (a) Broad terms of reference:

The objects of the Audit Committee include overseeing the Company’s financial reporting process; review of the Company’s quarterly and annual financial statements and auditor’s report thereon before submission to the Board for its approval; evaluation of internal financial controls and risk management systems; recommendation for appointment, remuneration and terms of appointment of auditors of the Company. The terms of reference and role of the audit committee are in accordance with the Act and the SEBI’s Listing Regulations.

- (b) Composition of Audit Committee as at 31.3.2019:

i)	Mr Sunil Kantilal Trivedi	(Chairman, Independent Director)
ii)	Mrs Rekha Abhishek Pacharia	(Member, Independent Director)
iii)	Mr Om Prakash Adukia	(Member, Non-Independent Director)

- (c) Details of Audit Committee Meetings held and attendance thereat during the year are as under:

Sr No	Name of the Member	Dates of Audit Committee Meetings and Attendance			
		29.05.2018	14.08.2018	13.11.2018	07.02.2019
1	Mr Sunil Kantilal Trivedi (DIN: 00387797)	Attended	Attended	Attended	Attended
2	Mrs Rekha Abhishek Pacharia (DIN: 07415573)	Attended	Attended	Attended	Attended
3	Mr Om Prakash Adukia (DIN: 00017001)	Attended	Attended	Attended	Attended

### 4) NOMINATION & REMUNERATION COMMITTEE (NRC):

- (a) Broad terms of reference:

Briefly speaking, the main Term of Reference of the NRC is to guide the Board in relation to appointments and removals, identification of persons and to recommend / review remuneration of directors etc. including Whole-time / Executive Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

Remuneration policy of the Company is directed towards retention and rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in accordance with industry practices.

The Committee has laid down a policy for recommending remuneration for Directors and KMP of the Company.

- (b) Composition of the NRC as at 31.3.2019 is as below;
- i) Mr Sunil Kantilal Trivedi (Chairman, Independent Director)
  - ii) Mrs Rekha Abhishek Pacharia (Member, Independent Director)
  - iii) Mr Om Prakash Adukia (Member, Non-Independent Director)

- (c) Criteria for performance evaluation of independent directors are as under:

The framework used to evaluate performance of Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for shareholders in accordance with their duties and obligations.

**5) REMUNERATION OF DIRECTORS:**

- (a) Except payment of sitting fees, the Company did not have any pecuniary relations or transactions with any of its non-executive directors during the year.
- (b) Criteria for making payments to non-executive directors are available at the link [http://www.hawcoindia.in/pdf/Criteria\\_for\\_making\\_payments\\_to\\_Non\\_Executive\\_Directors.pdf](http://www.hawcoindia.in/pdf/Criteria_for_making_payments_to_Non_Executive_Directors.pdf)
- (c) None of the directors is being paid any remuneration other than fee for attending board / committee meetings. Disclosure pertaining to remuneration paid to Managing Director during the year 2018-2019 is as under.

Sr. No.	Particulars	₹ in Lakhs
1	Salary, benefits, bonuses, stock options, pension etc;	Nil
2	Fixed component & performance linked incentives	Nil
3	Service contracts, notice period, severance fees	Nil

The Company did not offer any Stock Options.

**6) STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC):**

- (a) Mr Om Prakash Adukia is Chairman of the SRC.
- (b) Mrs Smita Achrekar, Company Secretary of the Company is the compliance officer. During the year ended 31.03.2019 one investor complaint / query was received which was duly resolved.

**7) GENERAL BODY MEETINGS:**

- (a) Particulars of last three Annual General Meetings of the Company are as under:

Date	Location of the Meeting	Time	No. of Special Resolutions passed at the Meeting
30.09.2016	Metro Junction Mall, Netivali, Kalyan (East) - 421 306	11.30 am	2
29.09.2017	Metro Junction Mall, Netivali, Kalyan (East) - 421 306	11.00 am	Nil
27.09.2018	Metro Junction Mall, Netivali, Kalyan (East) - 421 306	11.00 am	1 (one)

- (b) No special resolution was passed, through postal ballot last year.
- (c) Resolution(s), if any, to be passed through postal ballot during the financial year 2019-2020 will be taken up as and when necessary.
- (d) The procedure for postal ballot is as per the provisions contained in the Companies Act, 2013 and the rules made thereunder.

**8) MEANS OF COMMUNICATION:**

The quarterly working results of the Company are submitted to the stock exchange electronically. The results are also published in two newspapers viz The Free Press Journal and Navshakti and also displayed on the websites of the Company and the Bombay Stock Exchange (BSE).

**9) GENERAL SHAREHOLDER INFORMATION:**

- (a) The Seventy-third Annual General Meeting of the Company for the financial year 2018 - 2019 will be held on Monday, the 30th September, 2019 at 10.30 a.m. at registered office of the Company at Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) – 421306, Thane.
- (b) No dividend is recommended for the financial year ended 31.3.2019.
- (c) The Company's equity shares are listed on the BSE at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. The Company has duly paid its annual listing fee to BSE for the financial year 2019 - 2020.
- (d) The Company's stock code with BSE is 509597 under International Securities Identification No. INE722D01015.

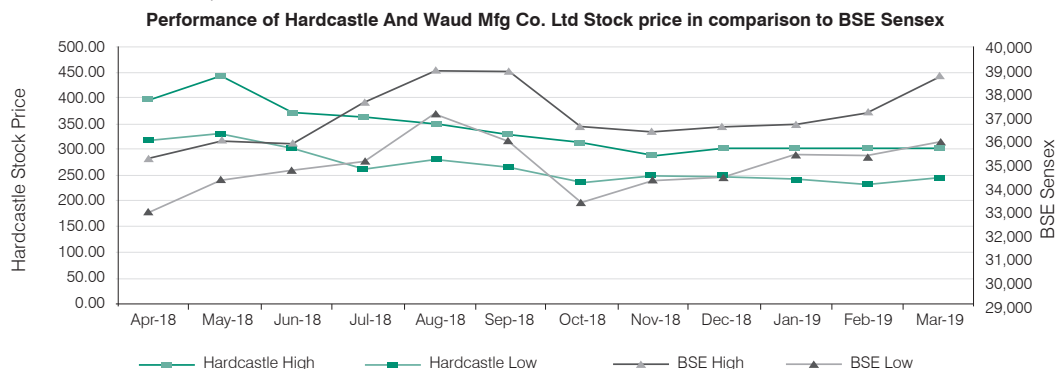
## (e) Market Price Data during 2018 - 2019:

The monthly high and low market prices of the Company's equity share traded on BSE during each month of the Financial Year from April 1, 2018 to March 31, 2019 are as under:

Month	BSE	
	High Price (₹)	Low Price (₹)
Apr - 2018	396.80	318.10
May - 2018	440.00	330.15
Jun - 2018	370.00	301.00
Jul - 2018	363.00	262.10
Aug - 2018	347.00	281.00
Sep - 2018	326.00	268.00
Oct - 2018	312.00	236.00
Nov - 2018	288.95	247.10
Dec - 2018	303.00	248.10
Jan - 2019	301.95	241.00
Feb - 2019	299.95	235.00
Mar - 2019	305.00	244.40

Source: BSE website – www.bseindia.com

## (f) Stock Performance in Comparison to BSE Sensex:



## (g) Registrars and Share Transfer Agent (RTA):

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai – 400 083  
Phone: 022-49186270 Fax: 022-49186060  
e-mail : rnt.helpdesk@linkintime.co.in  
website : www.linkintime.co.in

## (h) Share Transfer System:

Transfer requests for shares in physical form are processed within a period of 15 days of receipt. Such a facility has been withdrawn in view of the blanket ban on such transfers with effect from 1st April, 2019.

## (i) Distribution of shareholding as on 31.3.2019:

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of shareholding
1-5000	1,276	96.16	74,182	10.92
5001- 10000	26	1.96	18,893	2.78
10001 - 20000	9	0.68	13,942	2.05
20001 - 30000	2	0.15	5,289	0.78
30001 - 40000	0	0.00	0	0
40001 - 50000	1	0.08	5,000	0.74
50001 - 100000	6	0.45	44,227	6.5
100001 - above	7	0.53	5,17,941	76.23
<b>Total</b>	<b>1,327</b>	<b>100.00</b>	<b>6,79,474</b>	<b>100.00</b>

- (j) Dematerialization of shares and liquidity:

As on 31.3.2019, 96.87% of equity shares of the Company including the entire shareholding of the Promoters group are in dematerialized form.

- (k) The Company has presently no manufacturing activity.

- (l) Address for correspondence: Corporate Office: Gate No. 10, 1st Floor, Brabourne Stadium, 87 Veer Nariman Road, Mumbai – 400020.

**10) OTHER DISCLOSURES:**

- (a) The Company has not entered into any materially significant transaction with any related party that may have a potential conflict with the interests of the Company. The policy for dealing with related party transactions is available at [http://www.hawcoindia.in/pdf/Policy\\_determining\\_materiality\\_of\\_related\\_party\\_transactions.pdf](http://www.hawcoindia.in/pdf/Policy_determining_materiality_of_related_party_transactions.pdf)

- (b) No penalties or strictures have been imposed/made on/attached to the Company by BSE or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

- (c) The Company has framed a vigil mechanism / whistle blower policy for directors and employees to report concerns regarding unethical behaviour, actual or suspected fraud etc. The same can be accessed on the website of the Company. No employee of the Company was denied access to the Audit Committee during the year.

- (d) The Company has complied with the mandatory corporate governance requirements of SEBI's Listing Regulations but has not adopted any discretionary requirements mentioned in Regulation 27(1) of the said Regulations except relating to financial statements of the Company which are mostly accompanied with unmodified audit opinions.

- (e) Material Subsidiaries - The Company does not have any subsidiary.

**11) COMPLIANCE OF CODE OF CONDUCT:**

All Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by the Managing Director to this effect is appended to this Report.

**12) CERTIFICATE FROM PRACTICING COMPANY SECRETARY:**

The Company has obtained a Certificate from Shri Shailesh Kachalia, Praticing Company Secretary, Membership No.: 3888, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a director of the Company by the Securities and Exchange Board of India or by the Ministry of Corporate Affairs or by any other authority.

**13) RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED:**

All recommendations given by the committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations made by its committees during the financial year 2018 – 2019.

**14) TOTAL FEES PAID TO THE STATUTORY AUDITORS FOR THE FINANCIAL YEAR 2018 - 2019:**

Total fees for all the services paid by the Company to the statutory auditors viz. M/s GMJ and Co. are as follows:

Sr. No.	Particulars	Amount (in ₹)
1	Statutory Audit Fees (Annually)	95,000
2	Tax Audit Fees (Annually)	15,000
3	Limited Review	45,000
	Total	1,55,000

**15) DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

During the year under review no complaints filed/received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has, however, complied with provisions relating to constitution of Internal Complaints Committee under the said Act.

**16) DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SHARES:**

Details of demat suspense account have been disclosed in the Directors' Report annexed to the Annual Report.

**DECLARATION - CODE OF CONDUCT**

As per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, for the financial year ended March 31, 2019.

For Hardcastle And Waud Mfg Co. Limited

**B. L. Jatia**  
Managing Director  
(DIN: 00016823)

Place : Mumbai

Date : 29th July, 2019

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Hardcastle and Waud Manufacturing Company Limited

### Report on the Indian Accounting Standards ("Ind AS") Financial Statements Opinion

We have audited the accompanying Ind AS financial statements of Hardcastle and Waud Manufacturing Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March, 2019, the Profit and total comprehensive income, changes in equity and its cash flow for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under provisions of the Act and the Rules made thereunder, 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 opinion on the Ind AS 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Valuation of Investments

The Company's investment portfolio consists of Non Current investments.

Total investment portfolio of the Company represents 50.36 per cent of the Company's total assets (net of provision).

Current Investments are stated at lower of cost or market value, determined on an individual investment basis. Long term investments are stated at cost less provision for diminution other than temporary in the value of these investments.

In respect of the portfolio of quoted investments we do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement because they comprise liquid, quoted investments. However, due to their materiality in the context of the financial statements as a whole, they are considered to be one of the areas which had significant impact on our overall audit strategy.

The portfolio of unquoted investments which includes equity shares and preference shares is 50.27 per cent of the Company's Total Assets. Valuation of unquoted investments involves judgement depending on the observability of the inputs into the valuation and further judgement in determining the appropriate valuation methodology where external pricing sources are either not readily available or are unreliable. Refer Note no. 4 to the Financial Statements and Note no. 1.17(v) of the significant accounting policies.

Our audit procedures for this area included:

- We assessed appropriateness of the pricing methodologies with reference to Company's accounting and valuation policy;
- We have assessed the process and tested the operating effectiveness of the key controls, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorization and data input controls;
- For quoted investments, recalculated the valuations of investments with independent pricing sources;
- For unquoted investments, we critically evaluated the valuation assessment and resulting conclusions in order to determine appropriateness of the valuations recorded with reference to the Company's valuation guidelines.

#### Investment Properties

The Company's investment properties consist of premises.

Total Investment properties of the Company represents 16.71 per cent of the Company's total assets.

Investment properties are valued at cost as per Ind AS 40 .Refer Note no. 1.05 of Significant Accounting Policies and Note no. 3 to the Financial Statements.

Our audit procedures for this area included:

- We have verified whether each of the properties are purchased to be held for capital appreciation or for earning rental income so as to classify it under investment properties.
- We assessed the method of verification and valuation of properties to ensure its reasonableness in the circumstances relating to each asset.

### Evaluation of uncertain Indirect Tax positions

The company has pending litigation matters with various appellate authorities and at different forums

The Company has material uncertain tax positions including matters under dispute which involve significant judgment to determine the possible outcome of these disputes..

Refer Note 27.01 to the Financial Statements.

Our audit procedures for this area included:

- Obtained details of complete tax assessment and demands for the year ended March 31, 2019 from management.
- We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes.
- Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.
- Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

### Other Information

The Company's Board of Directors is responsible for the other information. Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures thereto, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this auditors' report.

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information as identified above, if we conclude that there is a material misstatement therein, we are required to conclude the matter to those charged with governance.

### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for Audit of the Ind AS 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:

- Identify and assess 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.
- 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 Companies Act, 2013, 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.
- Evaluate appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related



disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### 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 Annexure "A" hereto a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of section 164 (2) of the Act;
  - f) With respect to adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to 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 remuneration paid by the Company to its directors during the year is in accordance with provisions of section 197 of the Act.
  - h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements -Refer Note no. 27.01 of Ind As Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For GMJ & Co.**  
Chartered Accountants  
Firm No. 103429W

**(CA Atul Jain)**  
Partner  
M. No. 037097

Place: Mumbai  
Date: 24th May 2019

#### Annexure "A" to the Independent Auditor's Report

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;
- (b) Some of the fixed assets were physically verified during the year by the management in accordance with a phased programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies between the book records and physical inventory have been noticed;
- (c) The title deeds of immovable properties held as Fixed assets/Long term investments are in the name of the Company;

- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed;
- (iii) The Company has not granted loans, secured or unsecured to any firms, companies or other parties covered in the register maintained under Section 189 of the Company's Act, 2013 (the Act) and hence provisions of clauses (iii) (a), (b) and (c) of paragraph 3 of the Company (Auditors Report) Order 2016 (the Order) are not applicable to the Company;
- (iv) In respect of investments, provisions of Section 185 and 186 of the Act, have been complied with;
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act and the rules framed thereunder to the extent notified;
- (vi) The Central Government of India has not prescribed maintenance of cost records under subsection (1) of Section 148 of the Act for any of the activities of the Company;
- (vii) According to records of the Company, examined by us and the information and explanations given to us:
  - (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with appropriate authorities. There were no undisputed amounts payable for a period of more than six months from the date they became payable;
  - (b) Details of dues of Sales tax, duty of excise and income tax which have not been deposited as at March 31, 2019 on account of disputes are given below :

Nature of Statute	Nature of Dues	Forum where dispute is pending	Period to which the Amount relates	Amount* (in ₹)
Sales Tax	Sales Tax	Deputy Commissioner (Ct), Chennai	2002-03, 2003-04, 2004-05	4,65,848
Sales Tax	Sales Tax	Appellate Assistant Commissioner, Chennai	2009-10, 2010-11	84,299
Sales Tax	Sales Tax	Appellate Assistant Commissioner, Chennai	2002-03, 2003-04, 2004-05, 2005-06	6,61,561
Sales Tax	Sales Tax	DY Comm. OF Sales Tax Appeals	2000-2001	2,67,492
Sales Tax	Sales Tax	Assessing Officer	2004-05	3,30,744
Central Excise	Excise Duty & Penalty	CCE (APPEALS), Mumbai	1988-89	8,89,214
Central Excise	Excise Duty & Penalty	CCE (APPEALS), Mumbai	1988-89	69,641
Sales Tax	Sales Tax	Deputy Commissioner Appeal (Mumbai)	2013-2014	2,50,744
Sales Tax	CST	Deputy Commissioner Appeal (Mumbai)	2012-2013	5,36,431
Income Tax	Income Tax	CIT(A)	2007-2008	2,42,105
Income Tax	Income Tax	CPC	2009-2010	12,84,140

\*The amount includes ₹ 11,48,513 which has been deposited with Sales Tax Authorities in respect of contested demands raised against the Company.

There were no dues of duty of customs and goods & service tax which have not been deposited as at March 31, 2019 on account of any dispute;

- (viii) The Company has not taken any loan from any financial Institution, bank or government and has not issued any debentures;
- (ix) The Company has not raised money by way of initial public offer or further public offer and term loans therefore clause (ix) of para 3 of the Order is not applicable;
- (x) To the best of our knowledge and belief and according to the information given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi) Managerial remuneration paid or provided is within permissible limits as prescribed by section 197 read with Schedule V of the Act;
- (xii) As the Company does not fall into the category of a Nidhi company, clause (xii) of para 3 of the Order is not applicable to the Company;
- (xiii) According to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act wherever applicable and details have been disclosed in the Ind AS Financial Statements as required by applicable accounting standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them under provisions of section 192 of Act; and
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

**For GMJ & Co.**  
Chartered Accountants  
Firm No. 103429W

**(CA Atul Jain)**  
Partner  
M. No. 037097

Place: Mumbai  
Date: 24th May 2019

## Annexure – “B” to Auditors’ Report

### Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Hardcastle and Waud Manufacturing Company Limited (“the Company”) as of 31st March, 2019 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 over financial reporting was established and maintained and if such control operated effectively in all material respects.

Our audit involved performing procedures to obtain audit evidence about adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditors’ judgment, including assessment of the risks of material misstatement of the Ind AS 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 over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS Financial Statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of inherent limitations of internal financial controls over financial reporting, including possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering 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.

Place : Mumbai  
Date : 24th May 2019

**For GMJ & Co**  
Chartered Accountants  
Firm No. 103429W

**(CA Atul Jain)**  
Partner  
M. No. 037097

**BALANCE SHEET AS AT 31ST MARCH, 2019**

(₹ in Hundreds)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipments	2	3,76,867.22	2,68,242.35
(b) Capital work-in-Progress		-	1,652.49
(c) Investment Properties	3	6,60,711.23	6,72,881.51
(d) Financial Assets			
(i) Investments	4	19,90,980.73	20,07,892.49
(e) Deferred Tax Assets (net)	5	21,280.95	22,199.85
(f) Other Non-Current Assets	6	8,27,826.07	8,18,307.87
		<b>38,77,666.20</b>	37,91,176.56
<b>2 Current assets</b>			
(a) Inventories	7	2,935.06	1,240.43
(b) Financial Assets			
(i) Investments	8	-	32,886.22
(ii) Trade Receivables	9	36,236.95	34,403.45
(iii) Cash and Cash Equivalents	10	33,939.15	32,940.29
(c) Other Current Assets	11	2,834.20	26,927.13
		<b>75,945.36</b>	1,28,397.52
<b>TOTAL ASSETS</b>			
		<b>39,53,611.56</b>	39,19,574.08
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	12	67,947.40	67,947.40
(b) Other Equity	13	36,12,735.56	36,09,360.88
		<b>36,80,682.96</b>	36,77,308.28
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	25,011.10	-
(ii) Trade Payables due to			
(a) Micro & Small Enterprise	15	-	-
(b) Other than Micro & Small Enterprise	15	3,171.67	-
(iii) Other Financial Liabilities	16	2,32,774.37	2,30,850.75
(b) Provisions	17	11,971.46	11,415.05
		<b>2,72,928.60</b>	2,42,265.80
<b>TOTAL EQUITY AND LIABILITIES</b>			
		<b>39,53,611.56</b>	39,19,574.08
Significant Accounting Policies	1.A		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For GMJ & CO**

 Chartered Accountants  
 Firm Registration No.103429W

**CA Atul Jain**

 Partner  
 M. No. 037097

 Place: Mumbai  
 Date : 24th May, 2019

For and on behalf of the Board

**Om Prakash Adukia**

 Director  
 DIN : 00017001

**Shivani Bhargava**  
 Chief Financial Officer

 Place: Mumbai  
 Date : 24th May, 2019

**Sunil Trivedi**

 Director  
 DIN : 00387797

**Smita Achrekar**  
 Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Hundreds)

Particulars	Note No.	Current Year	Previous Year
Revenue from Operations	18	2,88,637.07	4,21,429.84
Other Income	19	19,974.04	12,702.93
<b>Total Income</b>		<b>3,08,611.11</b>	4,34,132.77
<b>Expenses</b>			
Purchase of Stock-in-Trade	20	1,12,895.20	1,38,774.13
Changes in Inventories of Stock-in-Trade	21	(1,694.63)	(1,240.43)
Employee Benefits Expenses	22	64,075.39	51,627.35
Finance costs	23	309.70	-
Depreciation and Amortisation Expenses	24	37,739.24	39,334.27
Other Expenses	25	76,555.69	75,328.33
<b>Total Expenses</b>		<b>2,89,880.59</b>	3,03,823.65
<b>Profit before Tax</b>		<b>18,730.52</b>	1,30,309.12
<b>Tax Expenses:</b>			
Current Tax		-	17,167.51
Deferred Tax		6,232.10	2,604.58
Income tax for earlier years		515.08	1,417.90
		<b>6,747.18</b>	21,189.99
<b>Profit for the year</b>		<b>11,983.34</b>	1,09,119.13
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(a) (i) Remeasurement of net defined benefit obligations		1,314.82	(6,695.09)
(ii) Income tax expenses on Remeasurement of net defined benefit obligations		(341.85)	1,723.99
(b) (i) Net fair Value gain/(loss) on investment in equity shares		(15,236.68)	11,342.58
(ii) Income tax expenses on Net fair Value gain/(loss) on investment in equity shares		5,655.05	(1,592.58)
<b>Total of Other Comprehensive Income for the Year, net of tax</b>		<b>(8,608.66)</b>	4,778.90
<b>Total Comprehensive Income for the Year (Comprising Profit and other Comprehensive Income for the Year)</b>		<b>3,374.68</b>	1,13,898.03
<b>Earning per equity share</b>			
(1) Basic		1.76	16.06
(2) Diluted		1.76	16.06
Significant Accounting Policies	1.A		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached

**For GMJ & CO**Chartered Accountants  
Firm Registration No.103429W**CA Atul Jain**Partner  
M. No. 037097

Place: Mumbai

Date : 24th May, 2019

For and on behalf of the Board

**Om Prakash Adukia**Director  
DIN : 00017001**Shivani Bhargava**

Chief Financial Officer

Place: Mumbai

Date : 24th May, 2019

**Sunil Trivedi**Director  
DIN : 00387797**Smita Achrekar**

Company Secretary

**STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2019**
**A Equity Share Capital**

Particulars	Notes	(₹ in Hundreds)
<b>As at 01-04-2017</b>		67,947.40
Changes during the year		-
<b>As at 31-03-2018</b>	12	67,947.40
Changes during the year		-
<b>As at 31-03-2019</b>	12	<b>67,947.40</b>

**B Other Equity**

Particulars	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total other Equity
	Securities Premium Reserve	General Reserve	Retained Earnings		
<b>As at April 1, 2017</b>	7,88,528.31	36,97,434.87	(10,29,207.86)	38,707.53	<b>34,95,462.85</b>
Profit for the Year	-	-	1,09,119.13	-	<b>1,09,119.13</b>
Remeasurement of net defined benefit Obligations, net of taxes	-	-	(4,971.10)	-	<b>(4,971.10)</b>
Other Comprehensive Income	-	-	-	9,750.00	<b>9,750.00</b>
<b>Total Comprehensive Income for the year</b>	-	-	1,04,148.03	9,750.00	<b>1,13,898.03</b>
<b>As at March 31, 2018</b>	7,88,528.31	36,97,434.87	(9,25,059.83)	48,457.53	<b>36,09,360.88</b>
<b>As at April 01, 2018</b>	7,88,528.31	36,97,434.87	(9,25,059.83)	48,457.53	<b>36,09,360.88</b>
Profit for the year	-	-	11,983.34	-	<b>11,983.34</b>
Remeasurement of net defined benefit Obligations, net of taxes	-	-	972.97	-	<b>972.97</b>
Other Comprehensive Income	-	-	-	(9,581.63)	<b>(9,581.63)</b>
<b>Total Comprehensive Income for the year</b>	-	-	12,956.31	(9,581.63)	<b>3,374.68</b>
Transfer to retained earnings on disposal of FVOCI equity instruments	-	-	1,119.50	(1,119.50)	-
<b>As at March 31, 2019</b>	7,88,528.31	36,97,434.87	(9,10,984.02)	37,756.40	<b>36,12,735.56</b>

As per our report of even date attached

**For GMJ & CO**

Chartered Accountants  
Firm Registration No.103429W

**CA Atul Jain**

Partner  
M. No. 037097

Place: Mumbai

Date : 24th May, 2019

For and on behalf of the Board

**Om Prakash Adukia**

Director  
DIN : 00017001

**Shivani Bhargava**

Chief Financial Officer

Place: Mumbai

Date : 24th May, 2019

**Sunil Trivedi**

Director  
DIN : 00387797

**Smita Achrekar**

Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ in Hundreds)

Particulars	Current Year	Previous Year
<b>Cash flow from Operating Activities</b>		
<b>Profit before Tax</b>	<b>18,730.52</b>	1,30,309.12
<b>Adjustments for:</b>		
Provision for Leave Encashment	(440.28)	445.95
Provision for Gratuity	2,311.51	563.76
Net gain/(loss) on fair valuation of investments	(3,690.00)	(86,364.77)
Net gain/(loss) on sale of investments	(3,422.54)	(41,910.02)
(Profit)/Loss on Sale of Property, Plant and Equipments (net)	(1,707.97)	-
Depreciation & Amortisation	37,739.24	39,334.27
Dividend income	(30.02)	(42.02)
Interest Income	(7,974.04)	(695.62)
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>41,516.42</b>	41,640.67
Increase/(Decrease) in Trade Payables	3,171.67	(7,319.82)
Increase/(Decrease) in Other Current Liabilities	1,923.62	(6,045.19)
Decrease/(Increase) in Other non-current assets	(17,569.64)	(69,907.14)
Decrease/(Increase) in Trade Receivables	(1,833.50)	473.02
Decrease/(Increase) in Inventories	(1,694.63)	(1,240.43)
Decrease/(Increase) in Other current assets	24,092.93	10,557.20
<b>Cash generated from/(used in) Operations</b>	<b>49,606.87</b>	(31,841.69)
Direct Taxes Paid (Net)	14,925.46	(28,246.63)
<b>Net Cash Flow from/(used in) Operating Activities - (A)</b>	<b>64,532.33</b>	(60,088.32)
<b>Cash Flows from Investing Activities</b>		
Sale/(Purchase) of Property, Plant and Equipments	(1,30,833.37)	(10,542.22)
Fixed Deposits with Banks	(274.52)	(7,225.48)
Sale/(Purchase) of Investments (net)	41,673.84	69,670.41
Dividend Received	30.02	42.02
Interest Received	584.94	695.62
<b>Net cash used in Investing Activities - (B)</b>	<b>(88,819.09)</b>	52,640.35
<b>Cash Flow from Financing Activities</b>		
Received/(Repayment) of Current Borrowing (Net)	25,011.10	-
<b>Net cash from Financing Activities - (C)</b>	<b>25,011.10</b>	-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>724.34</b>	(7,447.97)
Cash and Cash Equivalents at Beginning of the year	25,714.81	33,162.78
<b>Cash and Cash Equivalents at End of the year</b>	<b>26,439.15</b>	25,714.81
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	375.69	4,790.52
Balances with Scheduled Banks - In Current Accounts	21,670.89	18,914.55
Cheques on Hand	4,392.57	2,009.74
Fixed Deposits with Banks	7,500.00	7,225.48
	<b>33,939.15</b>	32,940.29
Less: Fixed deposits not considered as cash equivalents	7,500.00	7,225.48
<b>Cash and cash equivalents in cash flow statement</b>	<b>26,439.15</b>	25,714.81
<b>Cash and Bank Balances</b>		

**Note :**

1. All figures in brackets denote outflows.
2. Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. The Cash Flow Statement is prepared under indirect method as per Indian Accounting Standard -7 " Cash Flow Statement " .

As per our report of even date attached

For and on behalf of the Board

**For GMJ & CO**Chartered Accountants  
Firm Registration No.103429W**Om Prakash Adukia**  
Director  
DIN : 00017001**Sunil Trivedi**  
Director  
DIN : 00387797**CA Atul Jain**Partner  
M. No. 037097**Shivani Bhargava**  
Chief Financial Officer**Smita Achrekar**  
Company SecretaryPlace: Mumbai  
Date : 24th May, 2019Place: Mumbai  
Date : 24th May, 2019

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

Hardcastle And Waud Mfg Co Ltd is a Public limited company incorporated under the Companies Act 1913, having its registered office at Kalyan. Its shares are listed on BSE Limited. The company is engaged in Industrial Chemicals, Investment and Leasing activity.

### 1.A SIGNIFICANT ACCOUNTING POLICIES :

#### 1.01 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value.

#### 1.02 Current & Non-current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in Schedule III to the Act.

#### 1.03 Use of Estimates

The estimates and judgments used in preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized. The said estimates are based on facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

#### 1.04 Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

##### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using straight line method at useful lives specified in Schedule II of the Act, pro rata from date of acquisition.

#### 1.05 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, carrying amount of the replaced part is derecognised.

##### Depreciation methods, estimated useful lives and residual value

Investment properties are depreciated using straight-line method so as to write off cost of the investment property less their residual values over their useful lives specified in Schedule II of the Act, pro rata from the respective date of acquisition.

#### 1.06 Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

#### 1.07 Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in Statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Borrowing costs attributable to acquisition or construction of a qualifying asset are capitalized as part of cost of that asset. Other borrowing costs are recognized as expense in the period in which these are incurred.

#### 1.08 Impairment of Assets

At each balance sheet date, management reviews the carrying amounts of assets included in each cash generating unit to determine whether there is any indication that the assets were impaired. If any such indication exists, recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized as income in the Statement of Profit and Loss.

#### 1.09 Inventories

Raw materials, finished goods, stores, components and other consumables are valued at cost or net realisable value whichever is lower.

#### 1.10 Foreign Currency Transactions

Income and expenses in foreign currencies are converted at exchange rates prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

#### 1.11 Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services 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 or services.

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 and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. 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.

The Company has adopted Ind AS 115 using the cumulative catch-up transition method. The adoption of the new standard did not have impact on the Company.

##### Sale of Goods

Revenue from sale of Goods is recognized when the control on the goods have been transferred to the customer. Sales are shown net of Tax, returns and trade discounts.



## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Rendering of services

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

### 1.12 Employee Benefits

Short-term employee benefits based on actuarial valuation made at end of the year are recognised as expense at the undiscounted amount in the year in which the related service is rendered.

Post-employment employee benefits are recognised as expense in the year in which the employee has rendered services. The expense is recognised at present value of the amount payable determined using actuarial valuation techniques at end of the year. Actuarial gains and losses in respect of post employment benefits are charged to Statement of Profit and Loss. Re-measurement arising because of change in effect of asset ceiling is recognised in the period in which they occur directly in Other Comprehensive Income. Re-measurement is not reclassified to profit or loss in subsequent periods.

### 1.13 Taxation on Income

Tax on income for the current period is determined on the basis of taxable income and tax rates computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognized for all taxable temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at 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 asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation / business losses / losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available.

Measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

### 1.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### 1.15 Segment Reporting

The Company's chief operating decision making (CODM), examines the Company's performance from business perspective and has identified three reportable business segments viz. Industrial Chemicals, Leasing and Investing. Segment disclosures are consistent with the information provided to CODM which primarily uses operating profit/loss of the respective segments to assess their performance. CODM also periodically receives information about segment revenues and assets. The Company has disclosed Business Segments as the primary segment. Segments have been identified taking into account nature of the products & services, the differing risks and returns, the organisation structure and internal reporting system.

Segment policies:

The Company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements for the Company as a whole.

### 1.16 Earnings per share

Basic Earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For purpose of calculating diluted earnings per share, net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 1.17 Financial instruments

#### Financial assets

#### (i) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

#### (ii) Subsequent measurement

Financial assets are subsequently classified and measured at

- amortised cost,
- fair value through profit and loss (FVTPL), and
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

#### (iii) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through expected life of a financial instrument.

#### (iv) Debt Instruments

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing financial assets and (ii) contractual cash flow characteristics of the financial asset.

- (a) Measurement of amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. Amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

- (b) Measurement of fair value through other comprehensive income: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any, are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'Other Income' in the Statement of Profit and Loss.
- (c) Measurement at fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income, if any, recognised as 'Other Income' in the Statement of Profit and Loss.
- (v) Equity Instruments  
All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes election at FVOCI basis. Fair value changes excluding dividends, on equity instruments measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on investments in equity instruments are recognised as 'other income' in Statement of Profit and Loss.
- (vi) Derecognition  
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.
- (vii) Impairment of Financial Asset  
Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss.

### Financial Liabilities

- (i) Initial recognition and measurement  
Financial liabilities are recognised when the Company becomes a party to contractual provisions of an instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.
- (ii) Subsequent measurement  
Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.
- (iii) Derecognition  
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### 1.18 Provisions

A provision is recognised for a present obligation as a result of past event; if it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimated amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

### 1.19 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### 1.20 Leases

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

#### As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### 1.21 Changes in Accounting Standards and other recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") has notified the following new amendments to Ind AS which the Company has not applied as they are effective from periods beginning on or after April 1, 2019.

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Ind AS 116 – “Leases”

Ind AS 116 ‘Leases’ eliminates the classification of leases as either finance leases or operating leases. All leases with a term of more than twelve months, unless the underlying asset is of low value are required to be reported on an entity’s balance sheet as assets and liabilities.

### Amendment to Ind AS 12, Income taxes:

The amendment Ind AS 12, Income taxes clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

The Company is currently evaluating the effect of this amendment on the financial statements.

### Appendix C, ‘Uncertainty over Income Tax Treatments’, to Ind AS 12, ‘Income Taxes’

According to the Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates. The Company is in the process of evaluating the impact of adoption of the above pronouncements on its financial statements.

## 2 Property Plant and Equipments

(₹ in Hundreds)

	Plant & Equipment	Leasehold Land	Electrical Installations	Furniture & Fixtures	Vehicles	Computers	Office Equipment	Water Supply Equipment	Laboratory Equipment	Buildings	Total
<b>Gross Block</b>											
As at 01.04.2017	1,27,185.40	9,810.29	5,558.05	13,620.01	48,297.32	4,336.67	4,211.16	230.18	41.77	78,074.41	2,91,365.26
Additions during the year	27,726.19	-	-	-	-	-	-	-	-	-	27,726.19
Deductions / Adjustments for the year	-	-	-	-	-	-	-	-	-	-	-
<b>As at 31.03.2018</b>	<b>1,54,911.59</b>	<b>9,810.29</b>	<b>5,558.05</b>	<b>13,620.01</b>	<b>48,297.32</b>	<b>4,336.67</b>	<b>4,211.16</b>	<b>230.18</b>	<b>41.77</b>	<b>78,074.41</b>	<b>3,19,091.45</b>
<b>Accumulated Depreciation</b>											
As at 01.04.2017	5,906.38	144.96	989.38	4,338.75	7,368.36	453.96	906.71	-	-	3,480.23	23,588.73
Depreciation for the year	10,294.52	144.96	1,096.07	4,338.43	6,630.96	453.96	739.39	-	-	3,562.08	27,260.37
Deductions / Adjustments for the year	-	-	-	-	-	-	-	-	-	-	-
<b>Accumulated Depreciation As at 31.03.2018</b>	<b>16,200.90</b>	<b>289.92</b>	<b>2,085.45</b>	<b>8,677.18</b>	<b>13,999.32</b>	<b>907.92</b>	<b>1,646.10</b>	<b>-</b>	<b>-</b>	<b>7,042.31</b>	<b>50,849.10</b>
<b>Net Carrying amount As at 31.03.2018</b>	<b>1,38,710.69</b>	<b>9,520.37</b>	<b>3,472.60</b>	<b>4,942.83</b>	<b>34,298.00</b>	<b>3,428.75</b>	<b>2,565.06</b>	<b>230.18</b>	<b>41.77</b>	<b>71,032.10</b>	<b>2,68,242.35</b>
<b>Gross Block</b>											
As at 01.04.2018	1,54,911.59	9,810.29	5,558.05	13,620.01	48,297.32	4,336.67	4,211.16	230.18	41.77	78,074.41	3,19,091.45
Additions during the year	72,057.72	-	-	-	-	-	750.88	-	-	61,467.26	134,275.86
Deductions / Adjustments for the year	1,294.81	-	-	-	-	-	-	-	-	-	1,294.81
<b>As at 31.03.2019</b>	<b>2,25,674.50</b>	<b>9,810.29</b>	<b>5,558.05</b>	<b>13,620.01</b>	<b>48,297.32</b>	<b>4,336.67</b>	<b>4,962.04</b>	<b>230.18</b>	<b>41.77</b>	<b>1,39,541.67</b>	<b>4,52,072.50</b>
<b>Accumulated Depreciation</b>											
As at 01.04.2018	16,200.90	289.92	2,085.45	8,677.18	13,999.32	907.92	1,646.10	-	-	7,042.31	50,849.10
Depreciation for the year	11,560.14	144.96	577.69	1,639.91	6,630.96	453.96	815.21	-	-	3,746.13	25,568.96
Deductions / Adjustments for the year	1,212.78	-	-	-	-	-	-	-	-	-	1,212.78
<b>Accumulated Depreciation As at 31.03.2019</b>	<b>26,548.26</b>	<b>434.88</b>	<b>2,663.14</b>	<b>10,317.09</b>	<b>20,630.28</b>	<b>1,361.88</b>	<b>2,461.31</b>	<b>-</b>	<b>-</b>	<b>10,788.44</b>	<b>75,205.28</b>
<b>Net Carrying amount As at 31.03.2019</b>	<b>1,99,126.24</b>	<b>9,375.41</b>	<b>2,894.91</b>	<b>3,302.92</b>	<b>27,667.04</b>	<b>2,974.79</b>	<b>2,500.73</b>	<b>230.18</b>	<b>41.77</b>	<b>1,28,753.23</b>	<b>3,76,867.22</b>

### Notes:

#### Leased Assets

Property, Plant and Equipment includes the following assets where the company is a lessee:

Particulars	(₹ in Hundreds)	
	March 31, 2019	March 31, 2018
<b>Leasehold Land</b>		
<b>Gross Block</b>		
Deemed cost	9,810.29	9,810.29
Accumulated Depreciation	434.88	289.92
<b>Net carrying amount</b>	<b>9,375.41</b>	<b>9,520.37</b>

The Company has entered into long term Leasing arrangement for land with Government authorities which is in the nature of finance lease. These arrangements do not involve any recurring payment hence other disclosure not given.

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 3 Investment property i.e. Buildings

(₹ in Hundreds)

**Gross Block**

As at 01.04.2017	6,97,010.05
Additions	-
Deductions / Adjustments	-
<b>As at 31.03.2018</b>	<b>6,97,010.05</b>

**Accumulated Depreciation**

As at 01.04.2017	12,054.64
Depreciation for the year	12,073.90
Deductions / Adjustments	-
<b>As at 31.03.2018</b>	<b>24,128.54</b>

**Net Carrying amount as at 31 st March 2018**
**6,72,881.51**
**Gross Block**

As at 01.04.2018	6,97,010.05
Additions	-
Deductions / Adjustments	-
<b>As at 31.03.2019</b>	<b>6,97,010.05</b>

**Accumulated Depreciation**

<b>As at 01.04.2018</b>	<b>24,128.54</b>
Depreciation for the year	12,170.28
Deductions / Adjustments	-
<b>As at 31.03.2019</b>	<b>36,298.82</b>

**Net Carrying amount As at 31.03.2019**
**6,60,711.23**
**Notes :**
**(a) Amount recognised in the Statement of Profit and Loss for Investment Properties**

(₹ in Hundreds)

Particulars	Current Year	Previous Year
Rental Income	89,880.00	89,880.00
Direct Operating expenses from property that generated rental income	9,260.21	9,623.60
<b>Profit from investment properties before depreciation</b>	<b>80,619.80</b>	<b>80,256.40</b>
Depreciation	12,170.28	12,073.90
<b>Profit from investment properties</b>	<b>68,449.52</b>	<b>68,182.50</b>

**(b) Fair Value**

Fair Value of investment property: Rs 12,90,227.01 hundred as at March 31,2019 ( Rs 15,68,698.80 hundred as at March 31,2018)

The fair values of investment properties have been determined on the basis of stamp duty value assessable by Government authority for the purpose of payment of stamp duty in respect of the Properties.

(₹ in Hundreds)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>4 Non-current Investments</b>		
Investment in Equity Instruments (At Fair value through other comprehensive income)		
<b>Quoted</b>		
1,500 (March 31, 2018: 1,500) Equity Shares of ₹ 2 each, fully paid up in Ambuja Cements Ltd	3,525.75	3,499.50
10 (March 31,2018:10) Equity Shares of ₹ 10 each, fully paid up in Winmore Leasing & Holdings Ltd	0.94	0.96
3 (March 31,2018:100) Equity Shares of ₹ 10 each, fully paid up in Sanathnagar Enterprises Ltd	0.41	-
1 (March 31, 2018:1) Equity Share of ₹ 2 fully paid up in Westlife Development Ltd	4.29	3.20
	<b>3,531.39</b>	<b>3,503.66</b>
<b>Unquoted</b>		
1,80,300 (March 31,2018:1,80,300) Equity Shares of ₹ 10 each, fully paid up in Houghton Hardcastle (India) Pvt. Ltd	1,03,433.20	1,03,096.12
4,38,948 (March 31,2018:4,38,948) Equity Shares of ₹ 10 each, fully paid up in Hawcoplast Investments & Trading Limited	82,411.05	80,262.15
NIL (March 31,2018:8,470 ) Equity Shares of ₹ 100 each, fully paid up in Global Trendz Pvt. Ltd (Refer Note No. 27.15)	-	5,456.86
150 (March 31,2018:150 ) Equity Shares of ₹ 10 each, fully paid up in Deve Paints Limited	-	-
2 (March 31,2018 NIL) Equity Shares of ₹ 10 each, fully paid up in Bakelite Hylam Ltd	0.99	-
5 (March 31,2018:NIL) Equity Shares of ₹ 10 each, fully paid up in Panel Boards & Laminates Ltd	-	-
150 (March 31,2018:150) Equity Shares of ₹ 10 each, fully paid up in Swastik Rubber Products Limited	-	-
8,33,000 (March 31,2018:8,33,000) Equity Shares of ₹ 10 each, fully paid up in West Pioneer Properties ( India ) Pvt. Ltd	16,22,434.10	16,40,093.70
	<b>18,08,279.34</b>	<b>18,28,908.83</b>

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>Investment in Preference Shares -, fully paid up (At Fair value through profit and loss)</b>		
<b>Unquoted</b>		
20,50,000 (March 31,2018:20,50,000) 8% Redeemable Non-Cumulative Preference Shares of ₹ 10 each, fully paid up in Anand Veena Twisters Private Limited	1,79,170.00	1,75,480.00
	1,79,170.00	1,75,480.00
	19,90,980.73	20,07,892.49
Aggregate amount of quoted investments - At market Value	3,531.39	3,503.66
Aggregate amount of quoted investments - At Cost	13.80	3.30
Aggregate amount of unquoted investments - At fair Value	19,87,449.34	20,04,388.83
Aggregate amount of unquoted investments - At Cost	19,90,593.90	19,94,792.99
Investments carried at fair value through other comprehensive income	18,11,810.73	18,32,412.49
Investments carried at fair value through profit and loss	1,79,170.00	1,75,480.00
<b>5 Deferred tax asset (Net)</b>		
<b>A) Deferred tax assets</b>		
Provision for expense allowed for tax purpose on payment basis	3,112.58	2,939.37
Long-term Capital Assets	76,064.50	73,507.49
Business losses carried forward under Income Tax Act, 1961	8,113.89	7,342.58
Short-term Capital Assets	1,581.03	-
Remeasurement benefit of defined benefit plans through OCI	-	1,723.99
<b>Sub Total (A)</b>	88,872.00	85,513.43
<b>B) Deferred tax liabilities</b>		
Related to Fixed Assets	94,515.04	87,589.89
Remeasurement benefit of defined benefit plans through OCI	341.85	-
Short-term Capital Assets	-	2,981.52
<b>Sub Total (B)</b>	94,856.89	90,571.41
<b>C) MAT Credit Entitlement</b>	27,265.84	27,257.83
<b>Total (A-B+C)</b>	21,280.95	22,199.85
<b>Movement in deferred tax liabilities / (assets)</b>		
Opening Balance	22,199.85	24,673.02
<b>Tax income / (Expenses) during the period recognised in:</b>		
Statement of Profit and Loss	(6,232.10)	(2,604.58)
Other Comprehensive Income	5,313.20	131.41
Closing Balance	21,280.95	22,199.85
<b>6 Other non-current assets</b>		
Capital Advances (Refer Note No. 27.01)	7,65,855.82	7,65,855.82
Security Deposits	6,567.20	8,207.81
Advance Income Tax (Net of provision for taxation)	23,732.87	31,784.31
Others (including receivables from Govt. Authorities)	31,670.18	12,459.93
	8,27,826.07	8,18,307.87
<b>7 Inventories</b>		
Stock of Finished Goods	2,935.06	1,240.43
	2,935.06	1,240.43
<b>8 Current Investments (At Fair value through profit and loss)</b>		
NIL (March 31,2018:960) Units of ₹ 1000 each - fully paid up in HDFC Liquid Fund - Direct Plan - Growth Option	-	32,886.22
	-	32,886.22
Aggregate amount of Net Asset Values of investment in units - At market Value	-	32,886.22
Aggregate amount of investment in units - At Cost	-	32,420.16
Investments carried at fair value through profit and loss	-	32,886.22
<b>9 Trade Receivables</b>		
a) Considered good-Secured	-	-
b) Considered good-Unsecured	36,237	34,403
c) Which have significant increase in credit risk	-	-
d) Credit impaired	-	-
	36,236.95	34,403.45

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Hundreds)

Particulars	As at	
	31-03-2019	31-03-2018
<b>10 a) Cash and Cash Equivalents</b>		
Balance with Banks -in Current Accounts	21,670.89	18,914.55
Cheques on Hand	4,392.57	2,009.74
Cash on hand	375.69	4,790.52
	<b>26,439.15</b>	<b>25,714.81</b>
<b>b) Other Bank Balances</b>		
Fixed Deposit with Bank	7,500.00	7,225.48
	<b>7,500.00</b>	<b>7,225.48</b>
<b>Total</b>	<b>33,939.15</b>	<b>32,940.29</b>
Fixed Deposit is held by bank as security against a guarantee issued.		
<b>11 Other current assets</b>		
Receivables from Government Authorities	-	13,098.43
Income Tax Refund Receivable	-	8,823.30
Loans and Advances	2,834.20	5,005.40
	<b>2,834.20</b>	<b>26,927.13</b>

	As at 31-03-2019		As at 31-03-2018	
	No. of Shares	(₹ in Hundreds)	No. of Shares	(₹ in Hundreds)
<b>12 SHARE CAPITAL</b>				
<b>Authorised:</b>				
Equity Shares of ₹ 10 each	50,00,000	5,00,000.00	50,00,000	5,00,000.00
<b>Issued, Subscribed and Paid Up:</b>				
Equity Shares of ₹ 10 each, fully paid up	6,79,474	67,947.40	6,79,474	67,947.40
<b>Reconciliation of number of Equity Shares outstanding:</b>				
Equity Shares at beginning of the year	6,79,474	67,947.40	6,79,474	67,947.40
Issued during the year	-	-	-	-
<b>Equity Shares at end of the year</b>	<b>6,79,474</b>	<b>67,947.40</b>	<b>6,79,474</b>	<b>67,947.40</b>
<b>Details of Shareholders holding more than 5% shares :</b>				
<b>Name of Shareholder</b>	<b>No. of Shares</b>	<b>% held</b>	<b>No. of Shares</b>	<b>% held</b>
Winmore Leasing & Holdings Ltd	2,98,946	44.00	2,98,946	44.00
Shri Ambika Trading Co. Pvt. Ltd	78,705	11.58	78,705	11.58
Saubhagya Impex Pvt. Ltd	50,051	7.37	50,051	7.37
Indus Equipcap Consultancy Pvt. Ltd	-	-	36,825	5.42
Bay Capital Advisors Pvt. Ltd	48,975	7.21	-	-

**Terms/Rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Final dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholders.

(₹ in Hundreds)

Particulars	As at	
	31-03-2019	31-03-2018
<b>13 Other Equity</b>		
<b>Securities Premium Reserve</b>		
Opening Balance	7,88,528.31	7,88,528.31
Change during the year	-	-
<b>Closing Balance</b>	<b>7,88,528.31</b>	<b>7,88,528.31</b>
<b>General Reserve</b>		
Opening Balance	36,97,434.87	36,97,434.87
Change during the year	-	-
<b>Closing Balance</b>	<b>36,97,434.87</b>	<b>36,97,434.87</b>

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ in Hundreds)	
	As at 31-03-2019	As at 31-03-2018
<b>Equity Instruments through Other Comprehensive Income</b>		
Opening Balance	48,457.53	38,707.53
Other Comprehensive Income during the year	(9,581.63)	9,750.00
Transfer to retained earnings on disposal of FVOCI equity instruments	(1,119.50)	-
<b>Closing Balance</b>	<b>37,756.40</b>	<b>48,457.53</b>
<b>Retained Earnings</b>		
Opening Balance	(9,25,059.83)	(10,29,207.86)
Profit during the year as per Statement of Profit and Loss	11,983.34	1,09,119.13
Remeasurement of the net defined benefit obligations, net of taxes	972.97	(4,971.10)
Transfer from OCI on disposal of FVOCI equity instruments	1,119.50	-
<b>Closing Balance</b>	<b>(9,10,984.02)</b>	<b>(9,25,059.83)</b>
<b>Total Other Equity</b>	<b>36,12,735.56</b>	<b>36,09,360.88</b>
<b>Nature and Purpose of Reserves</b>		
<b>Securities Premium Reserve</b> : The amount received from shareholder against the issue of shares in excess of face value of the equity shares is recognised in Securities Premium Reserve.		
<b>General Reserve</b> : General reserve is created from time to time by way of appropriation of retained earnings.		
<b>Retained Earnings</b> : Retained earnings are profits that the Company has earned till date, less any appropriations.		
<b>Equity instruments through other comprehensive income</b> : This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.		
<b>14 Borrowings</b>		
Unsecured & Repayable on demand		
Loan from a Director	25,011.10	-
	<b>25,011.10</b>	-
<b>15 Trade Payables</b>		
(i) Micro & Small Enterprise	-	-
(ii) Other than Micro & Small Enterprise	3,171.67	-
	<b>3,171.67</b>	-
<b>16 Current - Other financial liabilities</b>		
Security Deposits	2,20,000.00	2,20,000.00
Others	12,774.37	10,850.75
	<b>2,32,774.37</b>	<b>2,30,850.75</b>
<b>17 Current - Provisions</b>		
Provision for Gratuity	8,255.54	7,258.85
Provision for Leave Encashment	3,715.92	4,156.20
	<b>11,971.46</b>	<b>11,415.05</b>
		(₹ in Hundreds)
	<b>Current Year</b>	<b>Previous Year</b>
<b>18 Revenue From Operations</b>		
<b>Sale of Traded Goods</b>		
Industrial Chemicals	1,50,506.54	1,67,683.03
<b>Investment Activities</b>		
Net gain /(loss) on fair valuation of investments	3,690.00	86,364.77
Net gain /(loss) on sale of investments	3,422.54	41,910.02
Dividend income	30.02	42.02
	<b>7,142.56</b>	<b>128,316.81</b>
<b>Leasing Activities</b>		
Rent Received	1,29,280.00	1,25,430.00
Profit/(Loss) on Sale/Discard of Fixed Assets	1,707.97	-
	<b>1,30,987.97</b>	<b>1,25,430.00</b>
	<b>2,88,637.07</b>	<b>4,21,429.84</b>

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Hundreds)

	Current Year	Previous Year
<b>19 Other Income</b>		
Interest Income	584.94	695.62
Interest on Income Tax Refund	7,389.10	-
<b>Other Non-Operating Income</b>		
Service Charges Income	12,000.00	12,000.00
Sundry Income	-	7.31
	<b>19,974.04</b>	<b>12,702.93</b>
<b>20 Purchase of Traded Goods</b>	<b>1,12,895.20</b>	1,38,774.13
Cost of traded goods	<b>1,12,895.20</b>	<b>1,38,774.13</b>
<b>21 Change in Inventories of Stock-in Trade</b>		
Inventory at beginning of the year	1,240.43	-
Inventory at end of the year	2,935.06	1,240.43
<b>(Increase)/Decrease in inventories</b>	<b>(1,694.63)</b>	<b>(1,240.43)</b>
<b>22 Employee Benefit Expenses</b>		
Salaries and Wages	58,431.23	46,183.54
Contribution to Provident and Other Funds	5,505.29	4,404.91
Staff Welfare Expenses	138.87	1,038.90
	<b>64,075.39</b>	<b>51,627.35</b>
<b>23 Finance Cost</b>		
Interest on Loan	309.70	-
	<b>309.70</b>	-
<b>24 Depreciation and Amortisation Expenses</b>		
On Property Plant and Equipments	25,568.96	27,260.37
On Investment property	12,170.28	12,073.90
	<b>37,739.24</b>	<b>39,334.27</b>
<b>25 Other Expenses</b>		
Electricity Expenses	8,841.90	8,782.61
Rent, Rates and taxes	10,615.92	19,478.82
Travelling and Conveyance	17,504.82	11,116.92
Service charges	5,640.00	6,690.00
Payment to Auditor (Refer note no. 27.3)	1,550.00	1,500.00
Insurance	1,420.03	1,276.15
Legal and professional Fees	4,907.35	2,384.00
Share Dept Expenses	1,387.82	1,119.34
Directors' Sitting Fees	580.00	680.00
Membership & Subscription	2,510.00	2,791.69
Communication and Printing Expenses	1,360.99	1,444.02
Repairs & Maintenance	6,639.63	10,225.99
Vehicle Expenses	5,278.28	5,115.60
Miscellaneous Expenses	8,318.95	2,723.19
	<b>76,555.69</b>	<b>75,328.33</b>
<b>26 Income Tax Expenses</b>		
This Note provides an analysis of the Company's income tax expense and how the tax expenses is affected by non-assessable and non-deductible items.		
(a) <b>Income tax recognised in profit or loss</b>		
<b>Tax Expenses</b>		
Current Tax	-	17,167.51
Deferred Tax	6,232.10	2,604.58
Income tax for earlier years	515.08	1,417.90
<b>Income tax expense recognised in profit or loss</b>	<b>6,747.18</b>	<b>21,189.99</b>
(b) <b>Income tax recognised in OCI</b>		
Unrealised (gain)/loss on FVTOCI equity securities	5,655.05	(1,592.58)
Net loss/(gain) on remeasurements of defined benefit plans	(341.85)	1,723.99
<b>Income tax expense recognised in OCI</b>	<b>5,313.20</b>	<b>131.41</b>



## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

	Current Year	Previous Year
<b>(c) Reconciliation of tax expense and the accounting profit multiplied by Income tax rate under Normal provision:</b>		
Profit before income tax	18,730.52	1,30,309.12
Enacted Tax rates as per Income tax Act,1961	26.00%	27.55%
<b>Computed expected tax expenses</b>	<b>4,869.94</b>	35,903.42
(Tax on Income) which are not chargeable and tax on Expenses which are not allowable under Income tax (Net)	(718.03)	(33,993.94)
Income tax paid under MAT	-	17,167.51
Income tax for earlier years	515.08	1,417.90
Tax effect on various other items	2,080.19	695.10
<b>Income Tax Expenses</b>	<b>6,747.18</b>	21,189.99

The applicable statutory tax rate for the year ended March 31, 2019 is 26.00% and March 31, 2018 is 27.55%.

(₹ in Hundreds)

<b>27.01 CONTINGENT LIABILITIES AND COMMITMENTS (Not Provided for)</b>	As at 31-03-2019	As at 31-03-2018
<b>1) CONTINGENT LIABILITIES</b>		
Claims not acknowledged as debts* (Demands for Excise and Sales Tax under contest)	35,559.74	29,025.57
Future Profitability may be affected to the extent indicated if such liabilities crystallise. *out of above ₹ 11,485.13 hundred (Previous Year ₹ 10,932.00 hundred) paid under protest		
<b>2) COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on Capital Account	19,971.90	19,971.90

<b>27.02 Expenditure in Foreign Currency :</b>	Current Year	Previous Year
Travelling Expenses	7,342.76	3,734.75
	<b>7,342.76</b>	<b>3,734.75</b>
<b>27.03 Payment to Auditors :</b>		
Audit Fees	950.00	900.00
Tax Audit Fees	150.00	150.00
Limited Review Fees	450.00	450.00
	<b>1,550.00</b>	<b>1,500.00</b>

<b>27.04 MICRO AND SMALL ENTERPRISES :</b>	As at 31-03-2019	As at 31-03-2018
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 "(MSMED Act,2006)" are provided as under for the year 2018-19, to the extent the company has received intimation from the "supplier" regarding their status under the act.		
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to Micro and small enterprises	-	-
Interest due on above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act,2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act,2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(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 a deductible expenditure under section 23 of the MSMED Act,2006	-	-

Dues to Micro and small Enterprises have been determined to the extent such parties have been indentified on the basis of information collected by Management. This has been relied upon by Auditors.

In case of previous year the Company had not received any intimation from its creditors regarding their respective status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence all the payable are considered as "other than Micro and Small Enterprise"

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Hundreds)

	Current Year	Previous Year
<b>27.05 EARNING PER SHARE (EPS)</b>		
Basic and Diluted		
a) Net Profit/(loss) after taxation (₹)	<b>11,983.34</b>	109,119.13
b) No. of Equity Shares of ₹10 each	<b>679,474</b>	679,474
c) Basic and Diluted Earning Per share (₹)	<b>1.76</b>	16.06

**27.06 RELATED PARTY DISCLOSURES (As per Ind AS 24) :**

(as identified by the management and relied upon by the auditors)

- A) Related Parties and Nature of Relationship
- i) Person having control :  
Shri Banwari Lal Jatia, Managing Director
  - iii) Key Management Personnel :  
Smt Smita Achrekar - Company Secretary  
Shri Narendra Abhichandani - Chief Financial Officer (Upto 31.12.2018)
  - iii) Enterprises over which persons having control and / or their relative(s) and/or key management personnel are able to exercise significant influence and with whom transactions have taken place during the year  
Hardcastle Petrofer Pvt. Ltd  
Saubhagya Impex Pvt. Ltd  
Vishwas Investment & Trading Co. Pvt. Ltd  
Winmore Leasing & Holdings Ltd  
West Pioneer Properties (India) Pvt. Ltd  
Acacia Impex Pvt. Ltd.  
Hawco Petrofer LLP  
Hardcastle Restaurants Pvt. Ltd.

**All the above entities are incorporated in India.**
**B) Material transactions during the year**

(₹ in Hundreds)

	Person having control	Key Management Personnel	Enterprises over which persons having control and / or their relative(s) and /or key management personnel are able to exercise significant influence
a) Rent Income	-	-	1,18,480.00
b) Service Charges Income	-	-	(1,23,630.00) 12,000.00 (12,000.00)
c) Rent Paid	-	-	3,000.00 (6,000.00)
d) Service Charges Paid	-	-	5,640.00 (6,570.00)
e) Purchase of Investments	-	-	-
f) Sale of Investments	6,460.00 (16,36,766.25)	-	(16,24,350.00) -
g) Purchase of Trade Goods	-	-	1,09,350.00 (1,34,136.75)
h) Remuneration paid			
Short term employee benefits	-	18,808.85 (17,208.42)	-
Post-employment benefits	-	1,326.92 (6,888.45)	-
i) Fees for renunciation of rights for equity shares	-	-	(4,165.00)
j) Loan Received	50,000.00	-	-
k) Loan Repayment made	25,000.00	-	-
l) Interest Paid	298.60	-	-

**Figures in ( ) represent previous year figures.**
**C) Balance Outstanding as at :**

31.03.2019	25,011.10	-	-
31.03.2018	-	2,078.04	-

Note : All related party transactions entered during the year were in ordinary course of business and were on arm's length basis.

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 27.07 EMPLOYEE BENEFITS (Information as required under Ind AS - 19)

#### DEFINED BENEFIT : GRATUITY PLAN

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contributions to LIC of India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the Company's financial statements as at the year end are as under

	(₹ in Hundreds)	
	2018-19	2017-18
Obligations at beginning of the year	35,928.02	24,226.00
Interest Cost	2,694.60	1,574.69
Service Cost	2,177.43	2,209.58
Benefits Paid during the year ending 31-03-19	(5,965.38)	-
Actuarial (Gain)/Loss	(1,256.79)	7,917.75
<b>Obligations at end of the year</b>	<b>33,577.88</b>	<b>35,928.02</b>
<b>Change in Plan Assets</b>		
Fair Value of Plan Assets at beginning of the year	28,669.17	25,771.37
Expected Return on Plan Assets	2,150.19	1,115.11
Contributions	410.33	-
Benefits Settled	(5,965.38)	-
Actuarial Gain/(Loss)	-	1,782.69
<b>Fair Value of Plan Assets at end of the year</b>	<b>25,264.31</b>	<b>28,669.17</b>
<b>Reconciliation of Present Value of Obligations and Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at end of year	(25,322.34)	(28,669.17)
Present Value of defined benefit obligations at end of year	33,577.88	35,928.02
<b>Liability/(Asset) recognised in Balance Sheet</b>	<b>8,255.54</b>	<b>7,258.85</b>
<b>Gratuity Cost for the year</b>		
Amount recognised in Statement of Profit & Loss		
Service Cost	2,177.43	2,209.58
Interest Cost	2,694.60	1,574.69
<b>Expected Return on Plan Assets</b>	<b>(2,150.19)</b>	<b>(1,115.11)</b>
<b>Net Cost Incurred in Employee Benefit Expense</b>	<b>2,721.84</b>	<b>2,669.16</b>
Amount recognised in Other Comprehensive Income		
Actuarial (Gain)/Loss	(1,256.79)	6,135.06
<b>Expected return on plan assets not included in the interest income</b>	<b>(58.03)</b>	<b>560.03</b>
Net (Income) / Expense for the Period Recognised in OCI	(1,314.82)	6,695.09
<b>Assumptions</b>		
Interest Rate	7.00%	7.50%
Expected Return on Plan Assets	7.00%	7.50%
Expected Rate of Salary Increase	7.00%	7.00%
Attrition Rate	1.00%	1.00%
Retirement Age	55-58 years	55-58 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is shown below:

Assumptions	Discount rate		Salary growth rate	
	1 % increase	1 % decrease	1 % increase	1 % decrease
<b>March 31, 2019</b>				
Impact on defined benefit obligation	(380.79)	442.21	437.79	(384.13)
% Impact	-1.13%	1.32%	1.30%	-1.14%
<b>March 31, 2018</b>				
Impact on defined benefit obligation	(251.42)	284.07	282.67	(254.76)
% Impact	-0.70%	0.79%	0.79%	-0.71%

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 ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Expected future benefit payments of Gratuity

Year	(₹ in Hundreds)
March 31, 2019	27,243.30
March 31, 2020	2,215.39
March 31, 2021	1,753.85
March 31, 2022	2,596.15
Thereafter	4,200.01
Total expected payments	38,008.70

The average duration of the defined benefit plan obligation at the end of the reporting period is 49 years (March 31, 2017: 55 years)

### DEFINED CONTRIBUTION PLANS

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 23,22.10 hundred (March 31, 2018: ₹ 19,62.26 hundred).

### LEAVE OBLIGATIONS

The leave obligations cover the company's liability for earned leave.

The amount of the provision of ₹.37,15.92 hundred (March 31, 2018: ₹ 41,56.20 hundred) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

### 27.08 SEGMENT INFORMATION ( As per Ind AS 108 ) :

#### Primary Segment reporting - Business Segments

#### SEGMENT REVENUE

	Current Year	Previous Year
Industrial Chemicals	1,50,506.54	1,67,683.03
Investments	7,142.56	1,28,316.81
Leasing Activities	1,30,987.97	1,25,430.00
<b>Total</b>	<b>2,88,637.07</b>	<b>4,21,429.84</b>

#### SEGMENT EXPENSES

Industrial Chemicals	1,12,978.89	1,45,666.23
Investments	5.18	5.18
Leasing Activities	32,526.94	42,056.64
<b>Total</b>	<b>1,45,511.01</b>	<b>1,87,728.05</b>

#### SEGMENT RESULT

Industrial Chemicals	37,527.65	22,016.80
Investments	7,137.38	128,311.63
Leasing Activities	98,461.03	83,373.36
<b>Total</b>	<b>1,43,126.06</b>	<b>2,33,701.79</b>

#### RECONCILIATION OF SEGMENT RESULT WITH PROFIT AFTER TAX

<b>SEGMENT RESULT</b>	<b>1,43,126.06</b>	<b>2,33,701.79</b>
<b>Unallocated Corporate (Expenses)/Income</b>	<b>(1,24,395.54)</b>	<b>(1,03,392.67)</b>
<b>Operating Profit/(Loss)</b>	<b>18,730.52</b>	<b>1,30,309.12</b>
Income Tax (including Deferred Tax)	6,747.18	21,189.99
<b>Net Profit/(Loss) After Tax</b>	<b>11,983.34</b>	<b>1,09,119.13</b>
<b>Other Comprehensive Income</b>	<b>(8,608.66)</b>	<b>4,778.90</b>
<b>Total Comprehensive Income for the year (Comprising Profit / (Loss) and other Comprehensive Income for the year)</b>	<b>3,374.68</b>	<b>1,13,898.03</b>

(₹ in Hundreds)

### OTHER INFORMATION

#### Total carrying amount of Segment Assets

	As at 31-03-2019	As at 31-03-2018
Industrial Chemicals	72,152.30	63,778.45
Investments	19,90,980.73	2,040,778.72
Leasing Activities	16,43,687.79	1,679,326.97
Unallocated Corporate Assets	2,46,790.74	135,689.94
<b>Total Assets</b>	<b>39,53,611.56</b>	<b>3,919,574.08</b>

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

	As at 31-03-2019	As at 31-03-2018
<b>Total carrying amount of Segment Liabilities</b>		
Industrial Chemicals	107.33	107.33
Investments	-	-
Leasing Activities	2,20,000.00	2,22,818.22
Unallocated Corporate Liabilities	52,821.27	19,340.25
<b>Total</b>	<b>2,72,928.60</b>	<b>2,42,265.80</b>
	Current Year	Previous Year
Capital Expenditure incurred during the year	1,34,275.86	27,726.19
Other Non Cash Expenditure	37,739.24	39,334.27
<b>Transaction with external customers 10 % or more of Company's revenue</b>	<b>2,35,385.29</b>	<b>2,29,052.31</b>

**NOTES :** Entire Business Activities being in India, there are no reportable Geographical Segments.

(₹ in Hundreds)

### 27.09 LEASES :

	As at 31-03-2019	As at 31-03-2018
<b>i) Non-cancellable operating leases taken for use of premises :</b>		
Less than one year	1,207.50	250.00
One to five years	Nil	Nil
More than five years	Nil	Nil
<b>Total minimum lease rental obligations</b>	<b>1,207.50</b>	<b>250.00</b>
<b>ii) Non-cancellable operating leases granted for use of premises :</b>		
Less than one year	61,450.00	14,440.00
One to five years	Nil	Nil
More than five years	Nil	Nil
<b>Total minimum lease rental</b>	<b>61,450.00</b>	<b>14,440.00</b>

### 27.10 FAIR VALUE MEASUREMENTS

Fair values of financial assets and liabilities are included at the amounts at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

#### 1. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are as follows.

(₹ in Hundreds)

	Carrying amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>March 31, 2019</b>								
<b>Financial Assets</b>								
<b>Non-current</b>								
<b>Investments</b>								
Quoted	-	3,531.39	-	3,531.39	3,531.39	-	-	3,531.39
Unquoted	-	18,08,279.34	-	18,08,279.34	-	16,22,434.10	1,85,845.24	18,08,279.34
Preference Shares - Unquoted	1,79,170.00	-	-	1,79,170.00	-	1,79,170.00	-	1,79,170.00
<b>Current</b>								
Trade Receivables	-	-	36,236.95	36,236.95	-	-	-	-
Cash and Cash Equivalents	-	-	33,939.15	33,939.15	-	-	-	-
	<b>1,79,170.00</b>	<b>18,11,810.73</b>	<b>70,176.10</b>	<b>20,61,156.83</b>	<b>3,531.39</b>	<b>18,01,604.10</b>	<b>1,85,845.24</b>	<b>19,90,980.73</b>
<b>Financial Liabilities</b>								
<b>Current</b>								
Borrowings	-	-	25,011.10	25,011.10	-	-	-	-
Trade Payables	-	-	3,171.67	3,171.67	-	-	-	-
Security Deposits	-	-	2,20,000.00	2,20,000.00	-	-	-	-
Others	-	-	12,774.37	12,774.37	-	-	-	-
	-	-	<b>2,60,957.14</b>	<b>2,60,957.14</b>	-	-	-	-
<b>March 31, 2018</b>								
<b>Financial Assets</b>								
<b>Non-current</b>								
<b>Investments</b>								
Quoted	-	3,503.66	-	3,503.66	3,503.66	-	-	3,503.66
Unquoted	-	18,28,908.83	-	18,28,908.83	-	16,40,093.70	1,88,815.13	18,28,908.83

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ in Hundreds)

	Carrying amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Preference Shares - Unquoted	1,75,480.00	-	-	1,75,480.00	-	1,75,480.00	-	1,75,480.00
<b>Current</b>								
Investments								
Mutual Fund units	32,886.22	-	-	32,886.22	32,886.22	-	-	32,886.22
Trade Receivables	-	-	34,403.45	34,403.45	-	-	-	-
Cash and Cash Equivalents	-	-	32,940.29	32,940.29	-	-	-	-
	<b>2,08,366.22</b>	<b>18,32,412.49</b>	<b>67,343.74</b>	<b>21,08,122.45</b>	<b>36,389.88</b>	<b>18,15,573.70</b>	<b>1,88,815.13</b>	<b>20,40,778.71</b>
<b>Financial liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-
Security Deposits	-	-	2,20,000.00	2,20,000.00	-	-	-	-
Others	-	-	10,850.75	10,850.75	-	-	-	-
	-	-	<b>2,30,850.75</b>	<b>2,30,850.75</b>	-	-	-	-

The Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables approximated their carrying value largely due to short term maturities of these instruments.

**2. Measurement of fair values**

The Company uses the following hierarchy for determining and disclosing fair values of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair values that are not based on observable market data.

**The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.**

Type	Valuation technique
Preference Shares	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.
Unquoted Equity Investments	As the fair value in respect of unquoted equity investment in some unquoted investment investee Company could not be reliably estimated, the Company has valued such investment at net asset value as per the latest audited financial statements available

**3. Reconciliation of fair value measurement of financial assets classified as FVTOCI : (Level 3)**

Particulars	Unquoted equity shares
<b>As at March 31, 2017</b>	<b>1,88,736.41</b>
Remeasurement recognised in OCI	78.72
Purchases	-
Sales	-
<b>As at March 31, 2018</b>	<b>1,88,815.13</b>
Remeasurement recognised in OCI	2,395.20
Purchases	1,139.10
Sales	(6,504.19)
<b>As at March 31, 2019</b>	<b>1,85,845.24</b>

**27.11 FINANCIAL RISK MANAGEMENT**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk
- Market risk

**Risk management framework**

The Company's board of directors has overall responsibility for the Company's risk management, if any.

**(a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's Receivables from customers and investment securities.

**Trade Receivables**

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counter party or any group of counterparties having similar characteristics. Based on historical information about customer default rates management considers credit quality of trade receivables.

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet

## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has not obtained any fund and non-fund based working capital limits from banks.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude impact of netting agreements.

Particulars	Contractual cash flows					Total
	Carrying amount	Upto 1 year	1-3 years years	3-5 years years	More than 5 years 5 years	
(₹ in Hundreds)						
<b>As at 31st March 2019</b>						
<b>Financial liabilities</b>						
Borrowings	25,011.10	25,011.10	-	-	-	25,011.10
Trade Payables	3,171.67	3,171.67	-	-	-	3,171.67
Security Deposits	2,20,000.00	2,20,000.00	-	-	-	2,20,000.00
Others	12,774.37	12,774.37	-	-	-	12,774.37
	<b>2,60,957.14</b>	<b>2,60,957.14</b>	-	-	-	<b>2,60,957.14</b>
<b>As at 31st March 2018</b>						
<b>Financial liabilities</b>						
Trade Payables	-	-	-	-	-	-
Security Deposits	2,20,000.00	2,20,000.00	-	-	-	2,20,000.00
Others	10,850.75	10,850.75	-	-	-	10,850.75
	<b>2,30,850.75</b>	<b>2,30,850.75</b>	-	-	-	<b>2,30,850.75</b>

### (c) Market Risk

Market risk is the risk that fair value of future cash flows of a financial instrument will fluctuate because of change in market prices.

#### (i) Price risk

The Company is not significantly exposed to changes in the prices of equity instruments.

#### (ii) Foreign currency risk

The Company does not have any foreign Currency exposure.

### 27.12 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2019, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

**27.13** Loans and Advances include deposits of ₹ 15,177.53 hundred (Previous Year ₹ 12,459.93 hundred) with Sales Tax Authorities in respect of contested demands raised against the Company. Part of these demands pending in adjudication and/or in first appeals is included under Contingent Liabilities not provided for.

**27.14** During the year the Company received 28.33 Equity Shares of Rs 30,000 each fully paid of Global Trendz Private Ltd. in lieu of 8,470 Equity Shares of ₹ 100 each fully paid up on consolidation of share capital thereof as per orders dated 30.11.2017 and 16.02.2018 of the National Company Law Tribunal.

**27.15** Sales exclude Sales Tax/VAT/GST amounting to ₹ 27,091.24 hundred (Previous Year ₹ 23,795.77 hundred) collected from customers and paid to the concerned Sales Tax/Goods and Service Tax Department

**27.16** Disclosure required under Section 186 (4) of Companies Act, 2013 appear under the respective heads (refer note no. 4 & 8)

**27.17** An eviction case is filed against the company by The Cricket Club of India Ltd (Landlord) for the leasehold premises at Brabourne Stadium, the quantum of liabilities is uncertain. The Company has been advised that it has an arguable case.

**27.18** There are six labour cases pending before a court of law, which the Company is contesting.

**27.19** Items and figures for the previous year have been recast, regrouped and/or re-arranged wherever necessary to conform to the current year's presentation.

Signatories to Notes 1 to 27

As per our report of date attached

#### For GMJ & CO

Chartered Accountants

Firm Registration No. 103429W

#### CA Atul Jain

Partner

M. No. 037097

For and on behalf of the Board

#### Om Prakash Adukia

Director

DIN : 00017001

#### Sunil Trivedi

Director

DIN : 00387797

#### Shivani Bhargava

Chief Financial Officer

#### Smita Achrekar

Company Secretary

Place: Mumbai

Date : 24th May, 2019

Place: Mumbai

Date : 24th May, 2019



*If undelivered, please return to:*

**HARDCASTLE AND WAUD MANUFACTURING COMPANY LIMITED**

Gate No. 10, 1st Floor, Brabourne Stadium

87 Veer Nariman Road, Mumbai - 400 020



# HARDCASTLE AND WAUD MANUFACTURING COMPANY LTD

Registered Office: Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) 421306

Tel No. 022-22837658-63 • Fax No. 022-22873176

CIN No.: L99999MH1945PLC004581 • E-Mail Id: ho@hawcoindia.com • Website: www.hawcoindia.in

**CIN No.: L99999MH1945PLC004581**

## PROXY FORM

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

Name(s) of the member (s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No/ Client Id: \_\_\_\_\_

DP ID: \_\_\_\_\_

I/We, being member(s) of \_\_\_\_\_ 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 : \_\_\_\_\_

as my / our proxy to attend for me / us and on my / our behalf at the 73rd Annual General Meeting of the Company to be held on Monday, the 30th September, 2019 at 10.30 a.m. at Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) 421306 and at any adjournment thereof in respect of the following:

Resolution No.	
1.	To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019 together with reports of the Directors and the Auditors thereon.
2.	To appoint a Director in place of Mr Om Prakash Adukia (DIN: 00017001), who retires by rotation and being eligible, offers himself for re-appointment.
3.	Re-appointment of M/s. GMJ & Co., Chartered Accountants as Statutory Auditors of the Company for a term consisting of five years and to fix their remuneration.
4.	Re-appointment / continuation of Mr Om Prakash Adukia (DIN: 00017001) as a non – executive director of the Company.
5.	Re-appointment of Mr Banwari Lal Jatia (DIN:00016823) as Managing Director of the Company for a term of 3 years with effect from 01.04.2020 on the terms and conditions mentioned in the notice of the Annual General Meeting of the Company.

Signed this ..... day of ..... 2019.

Signature of shareholder

Signature of Proxy holder(s)

Affix Rs.1  
Revenue  
Stamp  
Here

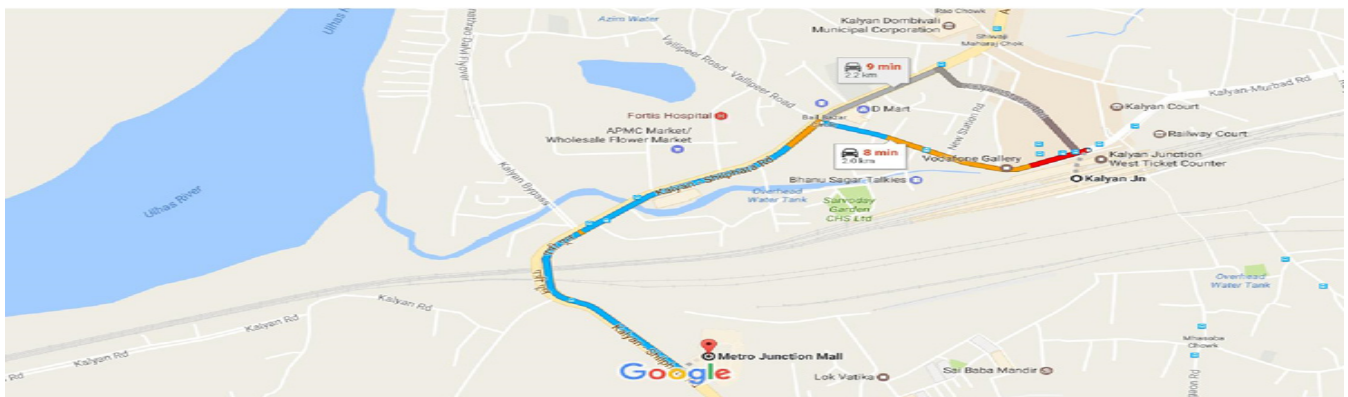
### Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
- A proxy need not be a member of the Company.
- Alterations, if any made in the Form of Proxy should be initialled.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all joint holders should be stated.

### Route Map

Prominent Landmark: Metro Junction Mall, Kalyan

Google Maps



**HARDCASTLE AND WAUD MANUFACTURING COMPANY LIMITED**

**Registered Office:** Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd,  
Netivali, Kalyan (E) 421306

**Tel No. :** 022-22837658-63 **Fax No. :** 022-22873176

**CIN No.:** L99999MH1945PLC004581 **E-Mail Id:** [ho@hawcoindia.com](mailto:ho@hawcoindia.com) **Website:** www.hawcoindia.in

**ATTENDANCE SLIP**

**PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND  
HAND IT OVER AT THE ENTRANCE**

Sr No.:

<b>Regd. Folio/DP ID &amp; Client ID</b>	
<b>Name and Address of the Shareholder</b>	
<b>Name of Joint Holder(s), If any (In Block Letters)</b>	
<b>No. of shares held</b>	

I/We hereby record my/our presence at the 73<sup>rd</sup> Annual General Meeting (AGM) of the Company held at Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) 421306 on Monday, the 30<sup>th</sup> September, 2019.

\_\_\_\_\_  
**Name of Attendee**

\_\_\_\_\_  
**Signature of Shareholder/ Proxy/ Representative**

**FOR IMMEDIATE ATTENTION OF THE SHAREHOLDERS**

Shareholders may please note the User ID and Password given below for the purpose of remote e-Voting in terms of Section 108 of the Companies Act, 2013 and the Rules thereunder. Process for remote e-voting is given in Notes to the AGM Notice.

<b>REVEN</b> (Remote e-Voting Event Number)	<b>USER ID</b>	<b>PASSWORD/PIN</b>