

Independent Auditor's Report on the Quarterly and Year to Date Financial Results of the Company pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Hardcastle & Waud Mfg Co. Ltd

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying statement of Financial Results of Hardcastle & Waud Mfg Co. Ltd ("the Company"), for the quarter and year ended March 31, 2020 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing regulations").

In our opinion and to the best of our information and according to the explanations given to us, the financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the total comprehensive loss (comprising profit and other comprehensive loss for the year) and other financial information for the quarter and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules 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 audit opinion.



Emphasis of Matter

We draw attention to note 5 of the financial results which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management. Our opinion is not modified in this matter.

Other Matters

Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by the management through digital medium.

Management's and Board of Directors' Responsibilities for the Financial Results

These quarterly financial results as well as the year to date Financial Results have been prepared on the basis of the audited financial statements. The quarterly financial results are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review.

The Company's Management and Board of Directors are responsible for the preparation and presentation of the financial results that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Results 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 Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the Financial Results, 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.
- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management and the Board of Directors.
- iv. Conclude on the appropriateness of the Management and the Board of Directors' 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 results 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 Results, including the disclosures, and whether the Financial Results 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.

For GMJ & Co
Chartered Accountants
FRN: 103429W

Atul Jain

CA Atul Jain

Partner

Membership No. 037097

UDIN : 20037097AAAAA&6416

Place: Mumbai

Date: 15.06.2020



HARDCASTLE & WAUD MFG CO. LTD
 Regd. Off : Mail Office, II Floor, Metro Junction Mall of West Pioneer Properties (India) Private Ltd,
 Netivali Baug, Kalyan 421306
 Tel. No. 022 22837658 Fax No. 022 22873176
 CIN : L99999MH1945PLC004581 - Website : www.hawcoindia.in

Statement of Financial Results for the Quarter/Year Ended 31.03.2020

Sr. No	Particulars	Quarter ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
					(₹ in Lakhs)	
		146.50	90.87	87.61	352.00	288.64
I	Revenue from Operations	3.42	3.30	2.75	16.51	19.97
II	Other Income	149.92	94.17	90.36	368.51	308.61
III	Total Income (I+II)					
IV	Expenses	37.63	34.11	29.52	94.77	112.90
	Purchases of Stock-in-Trade	(23.55)	(2.86)	2.35	(23.47)	(1.69)
	Changes in Inventories of Stock-in-Trade	19.26	14.26	19.91	60.78	64.07
	Employee Benefits Expenses	0.01	-	0.31	0.05	0.31
	Finance Costs	10.60	9.90	10.16	40.45	37.74
	Depreciation and Amortisation Expenses	2.36	2.66	2.71	10.52	10.62
	Rent, Rates and Taxes	0.78	1.28	9.71	4.40	17.50
	Travelling and Conveyance	18.14	12.56	(11.01)	57.36	48.43
	Other Expenses	65.23	71.91	63.66	244.86	289.88
	Total Expenses	84.69	22.26	26.70	123.65	18.73
V	Profit before exceptional items and tax (III-IV)	84.69	22.26	26.70	123.65	18.73
VI	Exceptional Items	84.69	22.26	26.70	123.65	18.73
VII	Profit before extraordinary items and tax (V - VI)	84.69	22.26	26.70	123.65	18.73
VIII	Extraordinary items	84.69	22.26	26.70	123.65	18.73
IX	Profit before tax (VII- VIII)				15.13	-
X	Tax Expense	12.96	1.22	-	21.73	6.23
	Current Tax	8.22	3.37	9.77	(3.33)	0.52
	Deferred Tax	(3.33)	-	-	90.12	11.98
	Provision for Earlier Years	66.84	17.67	16.93		
XI	Profit for the period/year (IX-X)					
XII	Other Comprehensive Income	(356.56)	(0.12)	(15.61)	(354.18)	(13.92)
	A (i) Items that will not be reclassified to Profit or (Loss)	92.08	0.01	4.10	93.04	5.31
	(ii) Income tax relating to items that will not be reclassified to Profit or (Loss)	-	-	-	-	-
	B (i) Items that will be reclassified to Profit or (Loss)	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to Profit or (Loss)	-	-	-	-	-
	Total of Other Comprehensive Income, net of tax	(264.48)	(0.11)	(11.51)	(261.14)	(8.61)
XIII	Total Comprehensive Income (XI+XII) (Comprising Profit/(Loss) and other Comprehensive Income for the period/year)	(197.64)	17.56	5.42	(171.02)	3.37
XIV	Paid-up equity share capital - (Face Value of Rs. 10/- each)	67.95	67.95	67.95	67.95	67.95
XV	Earnings per share of Rs 10/- each, (Not annualised) :	9.84	2.60	2.49	13.26	1.76
	a) Basic	9.84	2.60	2.49	13.26	1.76
	b) Diluted					
XVI	Reserve excluding revaluation reserves as per balancesheet of previous accounting year					



SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES:		Quarter ended			Year Ended	
Sr. No	Particulars	31.03.2020 Audited	31.12.2019 Unaudited	31.03.2019 Audited	31.03.2020 Audited	31.03.2019 Audited
I	Segment Revenue	23.80	50.11	46.89	115.03	150.51
	a) Trading	5.33	4.81	3.69	12.14	7.14
	b) Investments	117.37	35.95	37.03	224.83	130.99
	c) Leasing					
	Total	146.50	90.87	87.61	352.00	288.64
II	Segment Results - Profit / (Loss) before tax and interest					
	a) Trading	9.69	18.82	13.55	42.76	37.53
	b) Investments	5.34	4.80	6.15	12.14	7.14
	c) Leasing	108.93	27.59	51.22	182.27	98.46
	Total	123.96	51.21	70.92	237.17	143.13
	less : Interest	(0.01)	-	(0.31)	(0.05)	(0.31)
	Less : Extra-Ordinary Items	-	-	-	-	-
	Add : All other un-allocable (expenditure)/income	(39.26)	(28.95)	(43.91)	(113.47)	(124.09)
	Total Profit Before Tax	84.69	22.26	26.70	123.65	18.73
III	Segment Assets					
	a) Trading	64.09	50.42	72.15	64.09	72.15
	b) Investments	1,605.31	2,053.90	1,990.98	1,605.31	1,990.98
	c) Leasing	1,947.96	1,783.01	1,643.69	1,947.96	1,643.69
	Total	3,617.36	3,887.33	3,706.82	3,617.36	3,706.82
	Add:Unallocated Corporate Assets	147.49	80.58	246.79	147.49	246.79
	Total	3,764.85	3,967.91	3,953.61	3,764.85	3,953.61
IV	Segment Liabilities					
	a) Trading	1.17	17.76	0.11	1.17	0.11
	b) Investments	-	-	-	-	-
	c) Leasing	224.17	219.72	220.00	224.17	220.00
	Total	225.34	237.48	220.11	225.34	220.11
	Add:Unallocated Corporate Liabilities	29.84	23.13	52.82	29.84	52.82
	Total	255.18	260.61	272.93	255.18	272.93
	Add:Net Worth	3,509.67	3,707.30	3,680.68	3,509.67	3,680.68
	Total	3,764.85	3,967.91	3,953.61	3,764.85	3,953.61

Statement of Assets & Liabilities

(₹ in Lakhs)

31.03.2020
Audited

31.03.2019
Audited

ASSETS

I Non-current assets

Property, Plant and Equipment

Capital work-in Progress

Investment Properties

Financial Assets

Investments

Deferred tax assets (net)

Other non-current assets

II Current Assets

Inventories

Financial Assets

Investments

Trade receivables

Cash and cash equivalents

Other Current Assets

TOTAL ASSETS

EQUITY AND LIABILITIES

EQUITY

Equity Share Capital

Other Equity

LIABILITIES

I Non-current liabilities

II Current liabilities

Financial Liabilities

Borrowings

Trade Payables due to

(i) Micro & Small Enterprise

(ii) Other than Micro & Small Enterprise

Other financial liabilities

Provisions

Current Tax Liabilities (Net)

TOTAL EQUITY AND LIABILITIES



Statement of Cash Flow

(₹ in Lakhs)

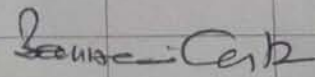
Year Ended
31.03.2020 31.03.2019

Particulars	31.03.2020	31.03.2019
Cash flow from Operating Activities	123.65	18.73
Profit before Tax	0.60	(0.44)
Adjustments for Non-Cash and Non-Operating Items	2.80	2.31
Provision for Leave Encashment	(7.31)	(3.69)
Provision for Gratuity	(4.81)	(3.42)
Net gain on fair valuation of investments	(81.39)	(1.71)
Net gain on sale of investments	40.45	37.74
(Profit)/Loss on Sale of Property, Plant and Equipments (net)	(0.02)	(0.03)
Depreciation & Amortisation	(2.51)	(7.97)
Dividend income	71.46	41.52
Interest Income	4.35	3.17
Operating Profit/(Loss) before Working Capital Changes	(3.53)	1.92
Increase in Trade Payables	(2.68)	(17.57)
Increase/(Decrease) in Other Current Liabilities	10.16	(1.83)
(Increase) in Other non-current assets	(23.47)	(1.69)
(Increase) in Trade Receivables	(42.80)	24.09
(Increase) in Inventories	13.49	49.61
(Increase)/Decrease in Other current assets	2.38	14.93
Cash generated from Operations	15.87	64.54
Direct Taxes Paid (Net)		
Net Cash Flow from Operating Activities - (A)		
Cash Flows from Investing Activities	(60.34)	(130.83)
Purchase of Property, Plant and Equipments	-	(0.27)
Fixed Deposits with Banks	41.64	41.67
(Purchase)/Sale of Investments (net)	0.02	0.03
Dividend Received	0.97	0.58
Interest Received	(17.71)	(88.82)
Net cash used in Investing Activities - (B)		
Cash Flow from Financing Activities	(20.00)	25.01
(Repayment)/Received - Current Borrowing (Net)	(20.00)	25.01
Net Cash (used in)/generated from Financing Activities (C)		
(Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(21.84)	0.73
Cash and Cash Equivalents at Beginning of the year	33.94	33.21
Cash and Cash Equivalents at End of the year	12.10	33.94
Components of Cash and Cash Equivalents	0.73	0.38
Cash on Hand	2.54	21.67
Balances with Scheduled Banks - In Current Accounts	1.33	4.39
Cheques on Hand	7.50	7.50
Fixed Deposits with Banks	12.10	33.94
Less : Fixed deposits not considered as cash equivalents	7.50	7.50
Cash and cash equivalents in cash flow statement	4.60	26.44

NOTES :

- The above results have been reviewed by the Audit Committee and by the Board of Directors at their respective meeting held on 15th June, 2020
- Financial Results is also available on the website www.bseindia.com and on the Company's website www.hawcoindia.in.
- Figures of the previous period have been regrouped/rearranged wherever necessary/practicable to conform to the current presentation.
- IND AS 116 is not applicable to the Company as all the lease agreements are for a period less than 12 months.
- Activities pertaining to sale of traded goods and investment have been impacted due to present crises of COVID-19 and accordingly the profitability of the Company also have been impacted. Further the Company has made investment in an entity engaged in Operating Commercial mall and construction & development of Real Estate Projects. Due to impact of Covid - 19 on this sector, there is impact on the value of such Investment made by the Company. The Company has assessed fair value of its Investments and the impact has been accounted for by the Company. However, this has no impact on the cash flows of the Company.
- Pursuant to the enactment of the Taxation Law (Amendment) Act, 2019 ('the Amendment Act') which is effective from April 1, 2019, domestic companies have an option to pay corporate tax at the rate of 22% plus applicable surcharge and cess provided certain conditions are complied with. The Company is in the process of evaluating the available option, as aforesaid. Pending such evaluation, the Company has not provided for the effect of the Amendment Act in these financial results.
- The figures of the last quarter are the balancing figures between the audited figures for the full financial year and unaudited published year to date figures upto the third quarter of the financial year.

By Order of the Board


Banwari Lal Jatia
Managing Director

Date : 15th June 2020

Place: Mumbai



HARDCASTLE & WAUD MANUFACTURING COMPANY LIMITED

Regd. Off.: Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (I) Pvt Ltd, Netivali,
Kalyan (E), Thane – 421306

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

CIN No.: L99999MH1945PLC004581

E-mail Id: ho@hawcoindia.com Website: www.hawcoindia.in

15.06.2020

BSE Ltd
Phiroz Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Dear Sirs,

Sub: Declaration with respect to Audit Report with unmodified opinion on the Audited Financial Results of the Company for the quarter and year ended 31st March, 2020

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that the Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the quarter and year ended 31st March, 2020.

Thanking you,

Yours faithfully,
For **Hardcastle & Waud Manufacturing Company Limited**

SMITA
SHAILESH
ACHREKAR

Digitally signed by
SMITA SHAILESH
ACHREKAR
Date: 2020.06.15
14:07:06 +05'30'

Smita Achrekar
Company Secretary & Compliance Officer