



**HARDCASTLE AND WAUD
MANUFACTURING COMPANY LIMITED**

72nd Annual Report
2017-2018

BOARD OF DIRECTORS

Banwari Lal Jatia, *Managing Director*

Om Prakash Adukia

Sunil Trivedi

Rekha Pachheria

Smita Jatia (upto 11.07.2018)

G. P. 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

HEAD OFFICE

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

WORKS

1904, GIDC, Sarigam 396 155, Dist. Valsad (Gujarat)

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 Seventysecond 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 Thursday, the 27th September, 2018 at 11.00 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, 2018 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. 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(1) and 142(1) of the Companies Act, 2013 the appointment of Statutory Auditors of the Company M/s GMJ & Co., Chartered Accountants (Firm Registration No.103429W), be and is hereby ratified for the financial year 2018-2019 at such remuneration as may be fixed by the Board of Directors of the Company.”

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 (which will be effective from 1st April, 2019) 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 continuation of appointment of Mr Om Prakash Adukia (DIN: 00017001), who is past 75 years of age, as a Non-Executive Director of the Company, for the time being.”

Notes:

1. A statement pursuant to Section 102 (1) of the Companies Act, 2013 (the Act) relating to the Special Business to be transacted at the meeting 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 26th September, 2018 to 27th September, 2018.
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 the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting, in advance.
5. Members, who are holding shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters to the Company's Registrars and Share Transfer Agent viz Link Intime India Private Limited (RTA). Also, please note that pursuant to SEBI notification no. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and BSE Circular no. LIST/COMP/15/2018-19 dated 05th July, 2018 requests for effecting transfer of securities (except in case of transmission or transposition) will not be processed w.e.f. 5th December, 2018, unless the securities proposed to be transferred are held in dematerialized form. Holders of Company's equity shares in physical form may therefore consider to dematerialize their holdings of securities.

Following is the procedure to dematerialize shares:

- Submit to your depository dematerialization request form (DRF) (in triplicate) duly filled in and signed by all the shareholders (in case of Joint Holding), along with physical share certificate(s) and other requisite documents and obtain an acknowledgement. Ensure that names and order of the names as given in the share certificate(s) match with names and order thereof as appearing in the depository's account.
- On receipt of DRF, the depository will generate a dematerialization request number (DRN), which is electronically transmitted to the Share Transfer Agent (STA).
- Simultaneously, the depository will send the physical certificate(s) with the original DRF to the STA for verification and confirmation.

- STA, on receipt of DRF and share certificate(s) will process the request. If the DRF is found to be in order, i.e. verified signature and certificate(s), then it will electronically confirm the request.
 - The depository on receipt of such confirmation, will credit the account with the number of shares so dematerialized.
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 and the date of birth of the minor, and name and address of the nominee. All members are requested to update their details as aforesaid with their respective depository participant (DP's) or 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 name(s) appear in the register of members as on Friday, the 10th August, 2018.
 9. A person, whose name is recorded in the register of members as on the cut-off date i.e. 21.09.2018 only shall be entitled to avail the 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 of 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 Monday, 24th September, 2018 (9.00 am) and ends on Wednesday, 26th September, 2018 (5.00 p.m.). During this period, members, holding shares as on the cut-off date of 21.09.2018, 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:
 - a) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - b) Click on Shareholder – Login
 - c) Enter User ID and Password: -

Your User ID details are as per 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:

- 1) If you are already registered with NSDL for remote e-Voting, then you can use your existing password to login and cast your vote.
- 2) 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:
 - (i) 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 from 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'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- (iii) If you are unable to retrieve or haven't received the "initial password" or have forgotten your password. Click on the following option available on 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 mentioning your demat account number / folio number, your PAN, your name and your registered address.

- (iv) 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.

- d) Home page of remote e-Voting opens. Click on Active Voting Cycles
- e) Select "REVEN" (remote e-Voting Event Number) of Hardcastle and Waud Mfg Co. Ltd.
- f) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- g) 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 or call on toll free no.:1800-222-990 or send a request at evoting@nsdl.co.in. Members may also contact Ms Pallavi Mhatre, Assistant Manager, NSDL at email id: pallavid@nsdl.co.in or 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 10th August, 2018 and holding shares as of the cut-off date i.e. 21.09.2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or at 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 Limited, where shares of the Company are listed.
- 13. Route Map showing directions to reach venue of the AGM appears at the end.

Registered Office

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

By Order of the Board of Directors**Smita Achrekar
Company Secretary****Dated: 14th August, 2018****Annexure to the Notice****I. Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act").****Item No. 4**

Pursuant to notification of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on 9th May, 2018 vide notification no. SEBI/LAD-NRO/GN/2018/10, a new sub-regulation 17 (1A) has been inserted after regulation 17(1) in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (which shall be effective from 1st April, 2019). As a result, effective 1st April, 2019 no listed entity can 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 is presently 81 years of age and is a non-executive director of the Company, hence a special resolution is required to be passed for continuation of his directorship in the Company beyond 31.3.2019.

Mr Adukia possesses 61 years' experience in industrial, business and financial management. He is on the Board of the Company since last 9 years and also holds directorship in various other 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 continuation of appointment / directorship of Mr Om Prakash Adukia as a non-executive director of the Company, for the time being.

Requisite information about Mr Om Prakash Adukia appears in part II below.

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

Mr Om Prakash Adukia is interested in the resolution with regard to continuation of his appointment. Also his relatives may be deemed to be interested 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 are, in any way, concerned or interested financially or otherwise, in the resolution.

II. Details of directors seeking approval of re-appointment are furnished below:

Sr. No.	Name	Mr Om Prakash Adukia (DIN: 00017001)
1	Age	81 years
2	Qualifications	Commerce Graduate
3	Experience / nature of expertise in specific functional areas	Possesses 61 years' experience in industrial, business and financial management
4	Terms and conditions	Continuation of appointment / directorship as a non-executive Director of the Company, liable to retire by rotation.
5	Date of first appointment on the Board	1.05.2009
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 or KMP of the Company
8	Number of Board Meetings attended during the year	7 (Seven)
9	Other listed entities in which directorships held	1) Winmore Leasing and Holdings Limited 2) West Leisure Resorts Limited
* 10	Membership / Chairpersonship of Committees of other Boards of listed entities	1) West Leisure Resorts Limited - Member of Audit Committee 2) Winmore Leasing and Holdings Limited a) Audit Committee - Member b) Stakeholder Relationship Committee - Member

* Only memberships of Audit Committee and Stakeholders' Relationship Committee of listed companies considered.

Registered Office

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

Dated: 14th August, 2018

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 their Seventysecond Annual Report together with the Audited Financial Statements for the year ended March 31, 2018 and Management Discussion and Analysis.

1. FINANCIAL RESULTS AND APPROPRIATIONS:

The financial statements for the financial year ended 31st March, 2018 are the first the Company has prepared under Indian Accounting Standards (Ind AS). The financial statements for the financial year ended 31st March, 2017 have been restated in accordance with Ind AS for comparative information.

	Year Ended March 31, 2018 (₹ Lakhs)	Previous Year March 31, 2017 (₹ Lakhs)
Profit before Depreciation	169.64	539.54
Depreciation	39.33	35.82
Profit before Taxation	130.31	503.72
Provision for Taxation	17.17	3.35
Deferred Tax	2.60	104.59
Income Tax for earlier years	1.42	(7.81)
Net Profit after Taxation	109.12	403.59
Other Comprehensive Income	4.78	3.68
Total Comprehensive Income for the Year (Comprising Profit and other Comprehensive Income for the Year)	113.90	407.27
Balance b/f from Previous Year	(990.51)	(1397.78)
Total Available	(876.61)	(990.51)
Transferred to General Reserve	—	—
Carried forward	(876.61)	(990.51)

In order to conserve resources, no dividend is being recommended.

2. OPERATIONS:

The Company's business activity currently consists of Industrial Chemicals, Investments and Leasing. During the year under review, revenue from industrial segment was ₹ 167.68 lakhs compared to ₹ 185.66 lakhs in the previous year, revenue from investments was ₹ 128.32 lakhs in comparison to ₹ 510.88 lakhs in the previous year, while leasing activity yielded a revenue of ₹ 125.43 lakhs as compared to ₹ 125.11 lakhs last year.

The Total Income for the year ended March 31, 2018 was at ₹ 434.13 lakhs representing a decline of over 48% over the previous year. The decline is mainly due to lower revenue through investment activities. Consequently, profit after tax for the current year stood at ₹ 109.12 lakhs as against ₹ 403.59 lakhs during the previous year.

The Company is hopeful for a better year ahead.

3. MANAGEMENT DISCUSSION AND ANALYSIS:

In terms of Rule 4(1)(iii) of the Companies (Indian Accounting Standards) Rules, 2015, the Company is required to switch over from Indian GAAP to Ind AS with effect from April 1, 2017, with a transition date of April 1, 2016. The factors which had an impact due to transition to Ind AS are re-measurement of actuarial loss/(gain) arising in respect of Employee Defined Benefit Obligations, fair valuation of investments, tax adjustments, etc. Reconciliation and description of effect of the transition from IGAAP to Ind AS have been provided in notes to the financial statements.

The Company has in place a well-established internal financial control system in all areas of its operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. In addition to statutory audit, the internal auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company. Based on reports of the internal auditor, the concerned departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

To overcome various challenges in a highly competitive business environment, the Company has taken various initiatives to reduce operational costs to achieve better margins across various segments.

Information pertaining to financial performance forms part of this Report.

There were no material developments in the Company's Human Resource Capital. Industrial relations continue to be cordial.

4. DIRECTORS:

- a) At the 71st Annual General Meeting (AGM) held on 29.09.2017, Mr Om Prakash Adukia (DIN: 00017001) was re-appointed as a non-executive director of the Company.
- b) Mr G. P. Goyal (DIN: 00017294), who was also appointed at the previous AGM as an Independent Director and Mrs Smita Jatia (DIN: 03165703), a non-executive director of the Company, have resigned w.e.f. 11.7.2018.
- c) Mr Om Prakash Adukia (DIN: 00017001) retires by rotation at the ensuing AGM but being eligible offers himself for re-appointment.
- d) Pursuant to amendments made by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on 9th May, 2018, a new sub-regulation 17 (1A) has been inserted after regulation 17(1) in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As a result, effective 1st April, 2019; no listed entity can appoint any 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 by members of the Company.

Mr Om Prakash Adukia is presently 81 years of age and is a non-executive director of the Company, and so a special resolution is required to be passed for continuation of his directorship in the Company.

The Nomination and Remuneration Committee of the Company has recommended to the Board of Directors to seek members' approval for continuation of Mr Adukia's appointment as non-executive director of the Company after 31.3.2019.

The Board recommends members to approve the proposal for continuation of appointment of Mr Adukia as a non-executive director; requisite resolution forms part of the notice.

- e) Necessary declarations have been received from the independent directors of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that he / she meets the criteria of independence laid down in Section 149 (6) of the Act.
- f) Board Evaluation:
The Board has carried out an annual evaluation of its own performance, as also of the individual directors and its various committees. 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.
- g) Meetings:

During the year 7 board meetings were convened and held.

5. COMMITTEES OF BOARD:

- i) Audit Committee:
The Audit Committee comprises of:
Mr Sunil Trivedi (Chairman)
Ms Rekha Pacharia
Mr Om Prakash Adukia

During the year there were no instances where the Board did not accept any recommendation of the Audit Committee. The Company has also put in place a vigil mechanism for directors and employees to report their concerns / grievances etc. to the Audit Committee which oversees the functioning of the said mechanism.

ii) Nomination and Remuneration Committee (NRC):

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

The Company's Nomination and Remuneration Policy (the Policy) was amended on 14.12.2017. Salient features of the revised policy include, having an appropriate mix of executive, non - executive and independent directors primarily to maintain independence of the Board. NRC to assess independence of directors at time of appointment / re-appointment as well as annually. NRC to take into consideration various things 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 under the section 'Policies'.

iii) Risk Management

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

6. UNCLAIMED SHARE CERTIFICATES:

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. In the previous year one such member had since claimed his entitlement, the number of shareholders and the outstanding shares lying in the suspense account thus stood at 78 and 9650 respectively.

During the year no such request 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.

7. AUDITORS:

M/s GMJ & Co., Chartered Accountants were appointed as Statutory Auditors of the Company at the AGM held on 30.9.2014 for a period of five years subject to ratification by members at every subsequent AGM. Ratification of the appointment is therefore being sought from members.

The Company has obtained a certificate from M/s GMJ & Co. to the effect that their re-appointment, if made, would be in accordance with the Act and the Rules framed thereunder.

8. AUDITORS' REPORT:

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

9. SECRETARIAL AUDIT:

A Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed hereto as 'Annexure I'.

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

10. LOANS / INVESTMENTS:

Details of loans and investments appear in the notes to the financial statements. No guarantees / securities were provided by the Company on behalf of other bodies corporate during the year.

11. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

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

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

12. 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.

13. SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

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

14. 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.

15. EXTRACT OF ANNUAL RETURN:

An extract of the Company's Annual Return in form MGT-9 is available on its website www.hawcoindia.in under the section 'Disclosures'.

16. 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 III'.

17. 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 explanation 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.

18. MAINTENANCE OF COST RECORDS:

The Central 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.

19. SECRETARIAL STANDARDS OF ICSI:

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

20. 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. Conservation of Energy, Technology and Foreign Exchange earnings or outgo;
- vi. 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
- vii. No fraud is reported by auditors under section 143 (12) of the Act.

Your directors further state that during the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has, however, complied with provisions relating to the constitution of Internal Complaints Committee 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: 14th August, 2018

ANNEXURE - I
SECRETARIAL AUDIT REPORT

For Financial Year ended 31st March, 2018

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

To,
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, agents and authorized representatives during conduct of the audit, I hereby report that in my opinion, the Company has, during the financial year ended on 31st March, 2018 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, 2018 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 and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealings with clients;
 - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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

- SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- SEBI (Share Based Employee Benefits) Regulations, 2014;
- SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
- SEBI (Delisting of Equity Shares) Regulations, 2009; and
- SEBI (Buyback of Securities) Regulations, 1998;

requiring compliance thereof by the Company during the Audit period.

- vi. Other Applicable Laws:

- The Maharashtra Stamp Act, 1958;
- Bombay Shops and Establishments Act, 1948;
- Factories Act, 1948; and
- 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:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- 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 Act, Rules, Regulations, Guidelines, 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 and detailed notes on the agenda 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 and guidelines.

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: 2.08.2018

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) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Sr No.	Name	Designation	Remuneration F Y 2017-18 ₹ in lakhs	% Increase in remuneration 2017-18	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	9.51	8.43	—
3	Mrs Smita Achrekar	Company Secretary	7.70	8.30	—

The median remuneration of employees (7 Nos) of the Company during the financial year was Rs 6.70 lakhs (increase of 17.54% over 2016-2017).

Note:

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

**ANNEXURE III
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, 2018.

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 conditions of Corporate Governance.

Place : Mumbai
Date : 02.08.2018

**Sd/-
Shailesh A Kachalia
CP 3888
Company Secretary**

CORPORATE GOVERNANCE REPORT

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

Your Company believes that sound corporate governance is critical to enhancing and retaining investor trust. It is towards this objective that we have strengthened governance practices to achieve higher standards by providing guidance to the management in strategy implementation and in fulfilling stated goals and objectives.

2) BOARD OF DIRECTORS:

(a) Composition and Category of Directors as at 31.3.2018:

Sr No.	Name of Director	Category	No. of other Directorship held as on 31.03.2018	@ No. of Board Committees (Other than Hawco) in which		Relationship with other Directors inter-se
				Chairman/Member		
				Chairman	Member	
1	Mr Banwari Lal Jatia (DIN:00016823)	Promoter, Executive	14	1	1	Father-in-law of Mrs Smita Jatia
2	Mr Om Prakash Adukia (DIN:00017001)	Non-Executive	4	2	5	
3	Mr Sunil Trivedi (DIN:00387797)	Independent, Non-Executive	3	-	1	Not related to any other Director of the Company
4	Mrs Rekha Pacharia (DIN:07415573)	Independent, Non-Executive	4	-	-	
5	Mr Govind Prasad Goyal (DIN:00017294)	Independent, Non-Executive	2	-	1	
6	Mrs Smita Jatia (DIN:03165703)	Promoter, Non-Executive	4	-	-	Daughter-in-law of Mr B. L. Jatia

@ - 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 7 Board meetings were held.

Sr No.	Name of the Director	Dates of Board Meeting and its Attendance							Date of Last AGM and its Attendance
		29.05.2017	04.09.2017	14.09.2017	19.09.2017	14.12.2017	12.02.2018	03.03.2018	
1	Mr Banwari Lal Jatia (DIN:00016823)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Not Present
2	Mr Om Prakash Adukia (DIN:00017001)	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
3	Mr Sunil Trivedi (DIN:00387797)	Attended	Attended	Attended	Not Present	Attended	Attended	Not Present	Attended
4	Mrs Rekha Pacharia (DIN:07415573)	Attended	Attended	Attended	Attended	Attended	Attended	Not Present	Not Present

5	Mrs Smita Jatia (DIN:03165703)	Not Present	Attended	Attended	Not Present	Attended	Attended	Not Present	Not Present
6	Mr Govind Prasad Goyal (DIN:00017294) w.e.f. 04.09.2017	N.A.	N.A.	Attended	Not Present	Attended	Attended	Not Present	Not Present

(c) Number of equity shares held by non-executive directors as at 31.3.2018:

	No. of equity shares held
i) Mrs Smita Jatia	6,586
ii) Mr Om Prakash Adukia	Nil
iii) Mr Sunil Trivedi	Nil
iv) Mrs Rekha Pacheria	Nil
v) Mr G. P. Goyal	Nil

3) AUDIT COMMITTEE:

(a) Broad terms of reference:

The object of the Audit Committee is to oversee the quality and integrity of accounting, auditing and financial reporting process and disclosure of the Company's financial information and also to review its quarterly financial statements, effectiveness of audit process and adequacy of internal financial controls and risk management systems etc. The terms of reference and role of the audit committee are in accordance with the Companies Act, 2013 (the Act) and the Listing Regulations.

The Committee acts as a link between the statutory and internal auditors and the Board of Directors of the Company and recommends to the Board for appointment / re-appointment / replacement / removal of Company's Auditors and the quantum of audit fees.

(b) Composition of Audit Committee as at 31.3.2018:

i)	Mr Sunil Trivedi	(Chairman, Independent Director)
ii)	Mrs Rekha Pacheria	(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 Meeting and Attendance			
		29.05.2017	14.09.2017	14.12.2017	12.02.2018
1	Mr Om Prakash Adukia (DIN:00017001)	Attended	Attended	Attended	Attended
2	Mr Sunil Trivedi (DIN:00387797)	Attended	Attended	Attended	Attended
3	Mrs Rekha Pacheria (DIN:07415573)	Attended	Attended	Attended	Attended

4) NOMINATION & REMUNERATION COMMITTEE (NRC):

(a) Broad terms of reference:

Briefly speaking, the main Term of Reference of 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 NRC as at 31.3.2018 is as below;

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

(c) During the year under review the committee met once on 3.07.2017 with full attendance.

(d) 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 the shareholders, and 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

(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 2017-2018 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 31.03.2018 three investor complaints / queries were received which have been 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
30.09.2015	Netivali Baug, Kalyan (East) - 421 306	11.00 am	Nil
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

Mr Shailesh Kachalia, a practicing company secretary, was appointed as scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

- (c) Resolution(s), if any, to be passed through postal ballot during the financial year 2018-2019 will be taken up as and when necessary.
- (d) The procedure for postal ballot is as per 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 Ltd (BSE).

9) GENERAL SHAREHOLDER INFORMATION:

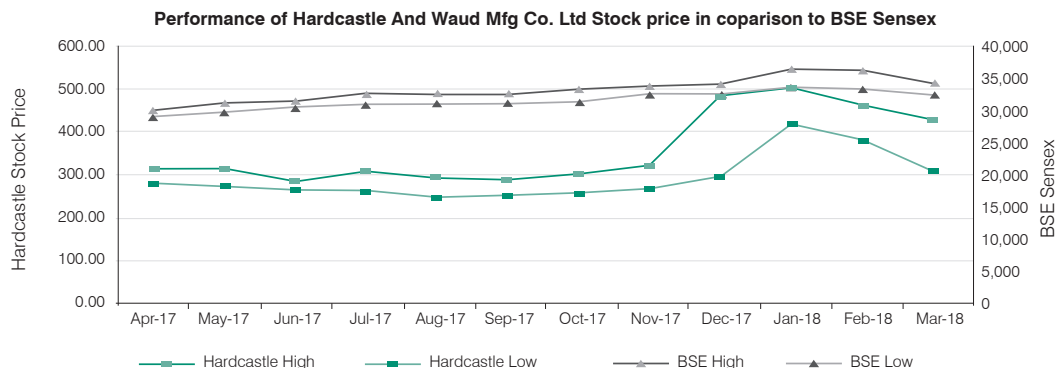
- (a) The Seventysecond Annual General Meeting of the Company for the financial year 2017-2018 will be held on Thursday, the 27th September, 2018 at 11.00 a.m. at registered office of the Company at Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (India) Pvt. Ltd, Netivali, Kalyan (E) – 421306, Thane.
- (b) No dividend is recommended for the financial year ended 31.3.2018.
- (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 2018-2019.
- (d) The Company's stock code with BSE is 509597 under International Securities Identification No. INE722D01015.
- (e) Market Price Data during 2017-2018:

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, 2017 to March 31, 2018 are as under:

Month	BSE	
	High Price (₹)	Low Price (₹)
April, 2017	315.00	282.20
May, 2017	315.00	276.00
June, 2017	286.60	267.00
July, 2017	309.90	266.00
August, 2017	294.00	250.05
September, 2017	289.50	255.20
October, 2017	302.95	259.50
November, 2017	322.00	271.15
December, 2017	482.10	297.05
January, 2018	506.20	419.00
February, 2018	463.10	384.10
March, 2018	429.25	311.00

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.

(i) Distribution of shareholding as on 31.3.2018:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share holding
1-500	1,300	96.23	75,336	11.09
501 to 1000	26	1.92	18,921	2.78
1001 to 2000	8	0.59	12,760	1.88
2001 to 3000	2	0.15	5,289	0.78
3001 to 4000	-	-	-	-
4001 to 5000	1	0.07	5,000	0.74
5001 to 10000	6	0.45	44,227	6.5
10001 & above	8	0.59	517,941	76.23
Total	1,351	100.00	6,79,474	100.00

(j) Dematerialization of shares and liquidity:

As on 31.3.2018, 96.69% of equity shares of the Company including the entire shareholding of the Promoters group are in dematerialized form.

(k) The Company's plant is located at 1904, GIDC, Sarigam, District Valsad, Gujarat.

(l) Address for correspondence: Gate No. 10, First Floor, Brabourne Stadium, 87 Veer Nariman Road, Mumbai – 400020.

10) OTHER DISCLOSURES:

- (a) The Company has not entered into any transaction with any related party which could be considered materially significant that may have a potential conflict with the interests of the Company.
- (b) No penalties or strictures have been imposed on the Company by BSE or SEBI or any 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. and the same has been disclosed on the website of the Company. No employee of the Company was denied access to the Audit Committee.
- (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 Listing 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.
- (f) The policy for dealing with related party transactions is available at http://www.hawcoindia.in/pdf/Policy_determining_materiality_of_related_party_transactions.pdf

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 annexed as Annexure I to this Report.

12) 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.

ANNEXURE - I
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, 2018.

For Hardcastle And Waud Mfg Co. Limited

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

Mumbai 14th August, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Hardcastle and Waud Manufacturing Company Limited

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

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, 2018, Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS Financial Statements').

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit. In conducting our audit, we have taken into account provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including assessment of risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

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 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, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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) In our opinion and to best of our information and according to the explanations given to us, we report as under 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:
 - i) The Company has disclosed impact of pending litigations on its financial position in its Ind AS financial statements (Refer Note no.25.13);
 - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
 - 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 S Maheshwari)
Partner
M. No. 038755

Place : Mumbai
Date: 29/05/2018

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 the physical inventory have been noticed;
- (c) 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 Companies (Auditors Report) Order 2016 (the Order) are not applicable to the Company;
- (iv) The Company has not granted any loans, or provided any guarantees or securities to the parties covered u/s 185 of the Act. In respect of investments, provisions of 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 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 services 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 Sales tax and duty of excise which have not been deposited as at March 31, 2018 on account of disputes are given below :

Nature of Statute	Nature of Demand	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	3,08,496
Sales Tax	Sales Tax	Appealant Assistant Commissioner, Chennai	2009-10, 2010-11	84,599
Sales Tax	Sales Tax	Special Court, Chennai	2002-03, 2005-06	87,609
Sales Tax	Sales Tax	Appellate Assistant Commissioner, Chennai	2001-02, 2002-03, 2003-04, 2004-05, 2005-06	7,11,378
Sales Tax	Sales Tax	Commercial Tax Officer, Chennai	2001-02, 2002-03, 2003-04, 2004-05	1,41,681
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
Sales Tax	CST	CST Refund Order pending, Chennai	2005-06	11,703
Central Excise	Excise Duty & Penalty	CCE (APPEALS), Mumbai	1988-89	889,214
Central Excise	Excise Duty & Penalty	CCE (APPEALS), Mumbai	1988-89	69,641

*The amount includes ₹10,93,200 which has been deposited with Sales Tax Authorities in respect of contested demands raised against the Company.

There were no dues of Income tax, duty of customs and service tax which have not been deposited as at March 31, 2018 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 are 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) The Company has not paid any managerial remuneration as prescribed u/s 197 of the Act read with Schedule V of the Act, clause (xi) of Para 3 of the Order is not applicable to the Company;
- (xii) As the Company does not fall into the category of 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;
- (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 S Maheshwari)
Partner
M. No. 038755

Place : Mumbai
Date: 29/05/2018

Annexure – “B” to Auditors’ Report**Report on the 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, 2018 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, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and 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 were established and maintained and if such controls 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 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 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 unauthorised acquisition, use, or disposition of 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 internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on 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: 29/05/2018

For GMJ & Co
Chartered Accountants
Firm No. 103429W

(CA S Maheshwari)
Partner
M. No. 038755

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Hundreds)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 01st April, 2016
I. ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipments	2	2,68,242.35	2,67,776.53	2,18,605.27
(b) Capital work-in-Progress		1,652.49	18,836.45	-
(c) Investment Properties	3	6,72,881.51	6,84,955.41	6,94,677.73
(d) Financial Assets				
(i) Investments	4	20,07,892.49	19,70,831.76	16,29,903.11
(e) Deferred Tax Assets (net)	5	22,199.85	24,673.02	1,20,567.57
(f) Other Non-Current Assets	6	8,18,307.87	7,47,562.81	5,57,463.26
		37,91,176.56	37,14,635.98	32,21,216.94
2 Current assets				
(a) Inventories	7	1,240.43	-	418.34
(b) Financial Assets				
(i) Investments	8	32,886.22	-	75,862.07
(ii) Trade Receivables	9	34,403.45	34,876.47	41,593.83
(iii) Cash and Cash Equivalents	10	32,940.29	33,162.78	43,597.58
(c) Other Current Assets	11	26,927.13	28,661.03	47,355.38
		1,28,397.52	96,700.28	2,08,827.20
		39,19,574.08	38,11,336.26	34,30,044.14
TOTAL ASSETS				
II. EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	12	67,947.40	67,947.40	67,947.40
(b) Other Equity	13	36,09,360.88	34,95,462.85	30,88,187.40
		36,77,308.28	35,63,410.25	31,56,134.80
LIABILITIES				
1 Non-Current Liabilities				
2 Current liabilities				
(a) Financial Liabilities				
(i) Trade Payables	14	-	7,319.82	32,579.07
(ii) Other Financial Liabilities	15	2,30,850.75	2,36,895.94	2,38,290.20
(b) Provisions	16	11,415.05	3,710.25	3,040.07
		2,42,265.80	2,47,926.01	2,73,909.34
		39,19,574.08	38,11,336.26	34,30,044.14
TOTAL EQUITY AND LIABILITIES				
Significant Accounting Policies	1			

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

As per our report of date attached

For GMJ & COChartered Accountants
Firm Registration No.103429W**CA S. Maheshwari**Partner
M. No. 038755Place: Mumbai
Date : 29th May, 2018

For and on behalf of the Board

Banwari Lal Jatia
Managing Director
DIN : 00016823**Narendra Abhichandani**
Chief Financial OfficerPlace: Mumbai
Date : 29th May, 2018**Om Prakash Adukia**
Director
DIN : 00017001**Smita Achrekar**
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Hundreds)

Particulars	Note No.	Current Year	Previous Year
Revenue from Operations	17	4,21,429.84	8,21,656.34
Other Income	18	12,702.93	15,810.61
Total Income		4,34,132.77	8,37,466.95
Expenses			
Purchase of Stock-in-Trade	19	1,38,774.13	1,55,229.64
Changes in Inventories of Stock-in Trade	20	(1,240.43)	-
Employee Benefits Expense	21	51,627.35	45,592.41
Depreciation and Amortisation Expenses	22	39,334.27	35,823.40
Other Expenses	23	75,328.33	97,104.79
Total Expenses		3,03,823.65	3,33,750.24
Profit before Tax		1,30,309.12	5,03,716.71
Tax Expenses:			
Current Tax		17,167.51	3,350.00
Deferred Tax		2,604.58	1,04,587.11
Income tax for earlier years		1,417.90	(7,813.93)
		21,189.99	1,00,123.18
Profit for the year		1,09,119.13	4,03,593.53
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(a) (i) Remeasurement of net defined benefit obligations		(6,695.09)	1,430.72
(ii) Income tax expenses on Remeasurement of net defined benefit obligations		1,723.99	-
(b) (i) Net fair Value gain/(loss) on investment in equity shares		11,342.58	(1,004.14)
(ii) Income tax expenses on Net fair Value gain/(loss) on investment in equity shares		(1,592.58)	3,255.34
Total of Other Comprehensive Income for the Year, net of tax		4,778.90	3,681.92
Total Comprehensive Income for the Year (Comprising Profit and other Comprehensive Income for the Year)		1,13,898.03	4,07,275.45
Earning per equity share			
(1) Basic		16.06	59.40
(2) Diluted		16.06	59.40
Significant Accounting Policies	1		

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

As per our report of date attached

For GMJ & CO

 Chartered Accountants
 Firm Registration No.103429W

CA S. Maheshwari

 Partner
 M. No. 038755

 Place: Mumbai
 Date : 29th May, 2018

For and on behalf of the Board

Banwari Lal Jatia
 Managing Director
 DIN : 00016823

Narendra Abhichandani
 Chief Financial Officer

 Place: Mumbai
 Date : 29th May, 2018

Om Prakash Adukia
 Director
 DIN : 00017001

Smita Achrekar
 Company Secretary

STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2018

A Equity Share Capital

Particulars	Notes	(₹ in Hundreds)
As at 01-04-2016		67,947.40
Changes during the year		-
As at 31-03-2017	12	67,947.40
Changes during the year		-
As at 31-03-2018	12	67,947.40

B Other Equity

Particulars	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total other Equity
	Securities Premium Reserve	General Reserve	Retained Earnings		
As at April 1, 2016	7,88,528.31	3,697,434.87	(14,34,232.11)	36,456.33	30,88,187.40
Profit for the Year	-	-	4,03,593.53	-	4,03,593.53
Remeasurement of net defined benefit Obligations, net of taxes	-	-	1,430.72	-	1,430.72
Other Comprehensive Income	-	-	-	2,251.20	2,251.20
Total Comprehensive Income for the year	-	-	4,05,024.25	2,251.20	4,07,275.45
As at March 31, 2017	7,88,528.31	36,97,434.87	(1,029,207.86)	38,707.53	34,95,462.85
As at April 01, 2017	7,88,528.31	36,97,434.87	(10,29,207.86)	38,707.53	34,95,462.85
Profit for the year	-	-	1,09,119.13	-	1,09,119.13
Remeasurement of net defined benefit Obligations, net of taxes	-	-	(4,971.10)	-	(4,971.10)
Other Comprehensive Income	-	-	-	9,750.00	9,750.00
Total Comprehensive Income for the year	-	-	1,04,148.03	9,750.00	1,13,898.03
As at March 31, 2018	7,88,528.31	36,97,434.87	(9,25,059.83)	48,457.53	36,09,360.88

As per our report of date attached

For GMJ & COChartered Accountants
Firm Registration No.103429W**CA S. Maheshwari**Partner
M. No. 038755

Place: Mumbai

Date : 29th May, 2018

For and on behalf of the Board

Banwari Lal Jatia
Managing Director
DIN : 00016823**Narendra Abhichandani**
Chief Financial Officer

Place: Mumbai

Date : 29th May, 2018

Om Prakash Adukia
Director
DIN : 00017001**Smita Achrekar**
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Hundreds)

Particulars	Current Year	Previous Year
Cash flow from Operating Activities		
Profit before Tax	130,309.12	503,716.71
Adjustments for:		
Prior Period Items		
Provision for Leave Encashment	445.95	670.18
Provision for Gratuity	563.76	1,430.72
Bad Debts & Advances Written Off	-	2,319.67
Investment Written Off	-	63.86
Net gain/(loss) on fair valuation of investments	(86,364.77)	(443,506.29)
Net gain/(loss) on sale of investments	(41,910.02)	(67,331.08)
(Profit)/Loss on Sale of Fixed Assets	-	(1,742.28)
Depreciation & Amortisation	39,334.27	35,823.40
Dividend income	(42.02)	(42.02)
Interest Income	(695.62)	(2,401.29)
Operating Profit/(Loss) before Working Capital Changes	41,640.67	29,001.58
Increase/(Decrease) in Non-Current Liabilities	-	(174.06)
Increase/(Decrease) in Trade Payables	(7,319.82)	(25,259.25)
Increase/(Decrease) in Other Current Liabilities	(6,045.19)	(1,220.20)
Decrease/(Increase) in Other Non-current assets	(69,907.14)	(193,553.51)
Decrease/(Increase) in Trade Receivables	473.02	6,717.36
Decrease/(Increase) in Inventories	(1,240.43)	418.34
Decrease/(Increase) in Other current assets	10,557.20	19,215.14
Cash generated from/(used in) Operations	(31,841.69)	(164,854.60)
Direct Taxes Paid (Net)	(28,246.63)	(359.79)
Net Cash Flow from/(used in) Operating Activities - (A)	(60,088.32)	(165,214.39)
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(10,542.22)	(93,056.42)
Fixed Deposits with Banks	(7,225.48)	-
Sale of Fixed Assets	-	3,022.22
Sale/(Purchase) of Investments (net)	69,670.41	242,370.48
Dividend Received	42.02	42.02
Interest Received	695.62	2,401.29
Net cash used in Investing Activities - (B)	52,640.35	154,779.59
Cash Flow from Financing Activities		
Net cash from Financing Activities - (C)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(7,447.97)	(10,434.80)
Cash and Cash Equivalents at Beginning of the year	33,162.78	43,597.58
Cash and Cash Equivalents at End of the year	25,714.81	33,162.78
Components of Cash and Cash Equivalents		
Cash on Hand	4,790.52	5,232.91
Balances with Scheduled Banks - In Current Accounts	18,914.55	27,572.13
Cheques on Hand	2,009.74	357.74
Fixed Deposits with Banks	7,225.48	-
	32,940.29	33,162.78
Less: Fixed deposits not considered as cash equivalents	7,225.48	-
Cash and cash equivalents in cash flow statement	25,714.81	33,162.78
Cash and Bank Balances		

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 date attached

For GMJ & CO

 Chartered Accountants
 Firm Registration No.103429W

CA S. Maheshwari

 Partner
 M. No. 038755

Place: Mumbai

Date : 29th May, 2018

For and on behalf of the Board

Banwari Lal Jatia

 Managing Director
 DIN : 00016823

Narendra Abhichandani

Chief Financial Officer

Place: Mumbai

Date : 29th May, 2018

Om Prakash Adukia

 Director
 DIN : 00017001

Smita Achrekar

Company Secretary

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES :

1.01 Basis of accounting and preparation of financial statements

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

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

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first financial statements prepared in accordance with Ind AS.

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying values of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and equipment.

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Investment properties recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Investment properties.

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 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.

1.07 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.

1.08 Inventories

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

1.09 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.

1.10 Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits thereof will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when significant risks and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods. Sales are shown net of Tax, returns and trade discounts.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Interest and Dividend Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognized when the Company's right to receive dividend is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease period and is included in revenue in the Statement of Profit or Loss.

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 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.

1.16 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

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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.

- (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 recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised 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 recognised 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.

1.17 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.

1.18 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.

1.19 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.

1.20 Standards issued but not yet effective

Ministry of Corporate Affairs through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified "Ind AS 115 Revenue from Contracts with Customers". Which the company has not applied as they are effective for annual periods beginning on or after April 1, 2018.

NOTES ANNEXED TO AND FORMING PART OF THE 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
Gross Block											
Deemed cost as at 1st April 2016	78,554.71	9,810.29	4,246.66	13,633.71	28,909.08	4,336.67	3,350.69	230.18	41.77	75,491.51	2,18,605.27
Additions during the year	48,630.69	-	1,347.39	-	20,569.99	-	1,089.00	-	-	2,582.90	74,219.97
Deductions / Adjustments for the year	-	-	36.00	13.70	1,181.75	-	228.53	-	-	-	1,459.98
Balance as at March 31, 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
Accumulated Depreciation											
Depreciation for the year	5,906.38	144.96	989.38	4,352.45	7,516.41	453.96	924.99	-	-	3,480.23	23,768.76
Deductions / Adjustments for the year	-	-	-	13.70	148.05	-	18.28	-	-	-	180.03
As at 31.03.2017	5,906.38	144.96	989.38	4,338.75	7,368.36	453.96	906.71	-	-	3,480.23	23,588.73
Net Carrying amount as at 31 st March 2017	1,21,279.02	9,665.33	4,568.67	9,281.26	40,928.96	3,882.71	3,304.45	230.18	41.77	74,594.18	2,67,776.53
Gross Block											
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	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2018	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
Accumulated Depreciation											
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	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation As at 31.03.2018	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
Net Carrying amount as at 31 st March 2018	1,38,710.69	9,520.37	3,472.60	4,942.83	34,298.00	3,428.75	2,565.06	230.18	41.77	71,032.10	2,68,242.35

Notes:
Leased Assets

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

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Leasehold Land			
Gross Block			
Deemed cost	9,810.29	9,810.29	9,810.29
Accumulated Depreciation	289.92	144.96	-
Net carrying amount	9,520.37	9,665.33	9,810.29

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.

3 Investment property i.e. Buildings

Gross Block
Deemed cost as at 1st April 2016 **6,94,677.73**

 Additions during the year 2,332.32
As at 31.03.2017 **6,97,010.05**
Accumulated Depreciation

 Depreciation for the year 12,054.64
As at 31.03.2017 **12,054.64**
Net Carrying amount as at 31 st March 2017 **6,84,955.41**
Gross Block

 As at 01.04.2017 6,97,010.05
As at 31.03.2018 **6,97,010.05**
Accumulated Depreciation

 As at 01.04.2017 12,054.64

 Depreciation for the year 12,073.90
As at 31.03.2018 **24,128.54**
Net Carrying amount as at 31 st March 2018 **6,72,881.51**

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	9,623.60	9,636.41
Direct Operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	80,256.40	80,243.59
Depreciation	12,073.90	12,054.64
Profit from investment properties	68,182.50	68,188.95

(b) Fair Value

Fair Value of investment property: ₹ 15,68,698.80 hundred as at March 31,2018 (₹ 16,31,285.61 hundred as at March 31,2017; ₹ 16,31,285.61 hundred as at March 31,2016.)

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.

	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
4 Non-current Investments			
Investment in Equity Instruments (At Fair value through other comprehensive income)			
Quoted			
1,500 (March 31, 2017: 1,500 ; 1st April 2016: 1,500) Equity Shares of ₹ 2 each, fully paid up in Ambuja Cements Ltd	3,499.50	3,815.25	3,488.25
10 (March 31,2017:10 ; 1st April 2016: Nil) Equity Shares of ₹ 10 each, fully paid up in Winmore Leasing & Holdings Ltd	0.96	0.96	-
1 (March 31, 2017:Nil ; 1st April 2016: Nil) Equity Share of ₹ 2 fully paid up in Westlife Development Ltd	3.20	-	-
	3,503.66	3,816.21	3,488.25
Unquoted			
1,80,300 (March 31,2017:1,80,300 ; 1st April 2016: 1,80,300) Equity Shares of ₹ 10 each, fully paid up in Houghton Hardcastle (India) Private Ltd	1,03,096.12	1,03,095.54	1,02,825.09
4,38,948 (March 31,2017:4,38,948 ; 1st April 2016: 4,38,948) Equity Shares of ₹ 10 each, fully paid up in Hawcoplast Investments & Trading Limited	80,262.15	80,283.59	80,942.01
8,470 (March 31,2017:8,470 ; 1st April 2016: 8,470) Equity Shares of ₹ 100 each, fully paid up in Global Trendz Pvt. Ltd	5,456.86	5,357.28	6,364.26
150 (March 31,2017:150 ; 1st April 2016: 150) Equity Shares of ₹ 10 each, fully paid up in Deve Paints Limited	-	-	-
100 (March 31,2017:100 ; 1st April 2016: 100) Equity Shares of ₹ 10 each, fully paid up in Sanathnagar Enterprises Ltd	-	-	-
150 (March 31,2017:150 ; 1st April 2016: 150) Equity Shares of ₹ 10 each, fully paid up in Swastik Rubber Products Limited	-	-	-
8,33,000 (March 31,2017:Nil ; 1st April 2016: Nil) Equity Shares of ₹ 10 each, fully paid up in West Pioneer Properties (India) Pvt Ltd	16,40,093.70	-	-
	18,28,908.83	1,88,736.41	1,90,131.36
Investment in Preference Shares -, fully paid up (At Fair value through profit and loss)			
Unquoted			
20,50,000 (March 31,2017:31,50,000 ; 1st April 2016: 35,00,000) 8% Redeemable Non-Cumulative Preference Shares of ₹ 10 each, fully paid up in Anand Veena Twisters Private Limited	1,75,480.00	2,52,630.00	2,28,900.00
Nil (March 31,2017:10,16,625; 1st April 2016: 10,88,125) Redeemable Preference Shares of ₹ 10 each, fully paid up in Winmore Leasing & Holdings Limited	-	15,25,649.14	12,07,383.50
	1,75,480.00	17,78,279.14	14,36,283.50
	20,07,892.49	19,70,831.76	16,29,903.11
Aggregate amount of quoted investments - At Market Value	3,503.66	3,816.21	3,488.25
Aggregate amount of quoted investments - At Cost	3.30	1.00	-
Aggregate amount of quoted investments - At Fair Value	20,04,388.83	19,67,015.55	16,26,414.86
Aggregate amount of unquoted investments - At Cost	19,94,792.99	21,07,001.49	22,56,751.35
Investments carried at fair value through other comprehensive income	18,32,412.49	1,92,552.62	1,93,619.61
Investments carried at fair value through profit and loss	1,75,480.00	17,78,279.14	14,36,283.50

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
5 Deferred tax asset (Net)			
A) Deferred tax assets			
Provision for expense allowed for tax purpose on payment basis	2,939.37	955.39	939.38
Long-term Capital Assets	73,507.49	90,801.10	3,690.78
Business losses carried forward under Income Tax Act, 1961	7,342.58	5,783.46	-
Short-term Capital Assets	-	-	2,03,975.94
Remeasurement benefit of defined benefit plans through OCI	1,723.99	-	-
Sub Total (A)	85,513.43	97,539.95	2,08,606.10
B) Deferred tax liabilities			
Related to Fixed Assets	87,589.89	82,957.25	92,691.63
Short-term Capital Assets	2,981.52	-	-
Sub Total (B)	90,571.41	82,957.25	92,691.63
C) MAT Credit Entitlement	27,257.83	10,090.32	4,653.10
Total (A-B+C)	22,199.85	24,673.02	1,20,567.57
Movement in deferred tax liabilities / (assets)			
Opening Balance	24,673.02	1,20,567.57	1,20,567.57
Tax (income / (Expenses) during the period recognised in:			
Statement of Profit and Loss	(2,604.58)	(1,04,587.11)	-
Other Comprehensive Income	131.41	3,255.34	-
MAT Credit Entitlement	-	5,437.22	-
Closing Balance	22,199.85	24,673.02	1,20,567.57
6 Other non-current assets			
Prepaid Expenses	-	112.58	43.30
Capital Advances (Refer Note No. 25.01)	7,65,855.82	6,94,376.61	4,99,643.88
Security Deposits	8,207.81	9,667.30	12,269.24
Advance Income Tax (Net of provision for taxation)	31,784.31	30,946.39	30,442.47
Others (including receivables from Govt. Authorities)	12,459.93	12,459.93	15,064.37
	8,18,307.87	7,47,562.81	5,57,463.26
7 Inventories			
Stores, spares & consumables	-	-	418.34
Stock of Finished Goods	1,240.43	-	-
	1,240.43	-	418.34
8 Current Investments (At Fair value through profit and loss)			
960 (March 31,2017:Nil ; 1st April 2016: 2,537) Units of ₹ 1000 each - fully paid up in HDFC Liquid Fund - Direct Plan - Growth Option	32,886.22	-	75,862.07
	32,886.22	-	75,862.07
Aggregate amount of Net Asset Values of investment in units - At market Value	32,886.22	-	75,862.07
Aggregate amount of investment in units - At Cost	32,420.16	-	75,146.32
Investments carried at fair value through profit and loss	32,886.22	-	75,862.07
9 Trade Receivables			
Unsecured			
(Considered good)	34,403.45	34,876.47	41,593.83
	34,403.45	34,876.47	41,593.83
10 a) Cash and Cash Equivalents			
Current Accounts	18,914.55	27,572.13	42,821.68
Cheques on Hand	2,009.74	357.74	310.86
Cash on hand	4,790.52	5,232.91	465.04
	25,714.81	33,162.78	43,597.58
b) Other Bank Balances			
Fixed Deposit with Banks	7,225.48	-	-
	7,225.48	-	-
Total	32,940.29	33,162.78	43,597.58
Fixed Deposit is held by bank as security against a guarantee issued.			

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
11 Other current assets			
Capital Advances	-	-	20,569.99
Receivables from Government Authorities	13,098.43	14,422.93	9,422.56
Others Advances	388.86	151.10	9,326.91
Prepaid Expenses	1,736.23	1,198.31	1,362.03
Gratuity Receivable	-	1,545.37	1,565.13
Income Tax Refund Receivable	8,823.30	-	-
Interest Receivable	20.89	-	-
Advances to Employees	2,859.42	7,045.47	5,108.76
Advances to Creditors	-	4,297.85	-
	26,927.13	28,661.03	47,355.38

	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	No. of Shares	(₹ in Hundreds)	No. of Shares	(₹ in Hundreds)	No. of Shares	(₹ in Hundreds)
12 SHARE CAPITAL						
Authorised:						
Equity Shares of ₹ 10 each	50,00,000	5,00,000.00	50,00,000	5,00,000.00	50,00,000	5,00,000.00
Issued, Subscribed and Paid Up:						
Equity Shares of ₹ 10 each, fully paid up	6,79,474	67,947.40	6,79,474	67,947.40	6,79,474	67,947.40
Reconciliation of number of Equity Shares outstanding:						
Equity Shares at beginning of the year	6,79,474	67,947.40	6,79,474	67,947.40	6,79,474	67,947.40
Issued during the year	-	-	-	-	-	-
Equity Shares at end of the year	6,79,474	67,947.40	6,79,474	67,947.40	6,79,474	67,947.40
Details of Shareholders holding more than 5% shares :						
Name of Shareholder	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Winmore Leasing & Holdings Ltd	2,98,946	44.00	2,98,946	44.00	2,98,946	44.00
Shri Ambika Trading Co. Pvt. Ltd	78,705	11.58	78,705	11.58	78,705	11.58
Saubhagya Impex Pvt. Ltd	50,051	7.37	50,051	7.37	50,051	7.37
Indus Equipcap Consultancy Pvt Ltd	36,825	5.42	36,825	5.42	36,825	5.42

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.

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
13 Other Equity			
Securities Premium Reserve			
Opening Balance	7,88,528.31	7,88,528.31	7,88,528.31
Change during the year	-	-	-
Closing Balance	7,88,528.31	7,88,528.31	7,88,528.31
General Reserve			
Opening Balance	36,97,434.87	36,97,434.87	36,97,434.87
Change during the year	-	-	-
Closing Balance	36,97,434.87	36,97,434.87	36,97,434.87
Equity Instruments through Other Comprehensive Income			
Opening Balance	38,707.53	36,456.33	36,456.33
Other Comprehensive Income during the year	9,750.00	2,251.20	-
Closing Balance	48,457.53	38,707.53	36,456.33

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Retained Earnings			
Opening Balance	(10,29,207.86)	(14,34,232.11)	(14,34,232.11)
Profit during the year as per Statement of Profit and Loss	1,09,119.13	4,03,593.53	-
Remeasurement of the net defined benefit obligations, net of taxes	(4,971.10)	1,430.72	-
Closing Balance	(9,25,059.83)	(10,29,207.86)	(14,34,232.11)
Total Other Equity	36,09,360.88	34,95,462.85	30,88,187.40
Nature and Purpose of Reserves			
Securities Premium Account : The amount received from shareholders against issue of shares in excess of face value of the equity shares is recognised in Securities Premium Reserve.			
General Reserve : General reserve is created from time to time by way of appropriation of retained earnings.			
Retained Earnings : Retained earnings are profits that the Company has earned till date, less any appropriations.			
Equity instruments through other comprehensive income : 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.			
14 Trade Payables			
Micro and Small enterprises (Refer Note No. 25.03)	-	-	-
Related Party	-	-	32,531.63
Other Parties	-	7,319.82	47.44
	-	7,319.82	32,579.07
15 Current - Other financial liabilities			
Security Deposits	2,20,000.00	2,25,000.00	2,25,000.00
Others	10,850.75	11,895.94	13,290.20
	2,30,850.75	2,36,895.94	2,38,290.20
16 Current - Provisions			
Provision for Gratuity	7,258.85	-	-
Provision for Leave Encashment	4,156.20	3,710.25	3,040.07
	11,415.05	3,710.25	3,040.07
17 Revenue From Operations		Current Year	Previous Year
Sale of Traded Goods			
Industrial Chemicals		1,67,683.03	1,85,664.67
Investment Activities			
Net gain /(loss) on fair valuation of investments		86,364.77	4,43,506.29
Net gain /(loss) on sale of investments		41,910.02	67,331.08
Dividend income		42.02	42.02
		1,28,316.81	5,10,879.39
Leasing Activities			
Rent Received		1,25,430.00	1,23,370.00
Profit/(Loss) on Sale/Discard of Fixed Assets		-	1,742.28
		1,25,430.00	1,25,112.28
		4,21,429.84	8,21,656.34
18 Other Income			
Interest Income		695.62	2,401.29
Other Non-Operating Income			
Service Charges Income		12,000.00	12,000.00
Sundry Income		7.31	1,409.32
		12,702.93	15,810.61
19 Purchase of Traded Goods		1,38,774.13	1,55,229.64
Cost of traded goods		1,38,774.13	1,55,229.64

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

	Current Year	Previous Year
20 Change in Inventories of Stock-in Trade		
Inventory at beginning of the year	-	-
Inventory at end of the year	1,240.43	-
(Increase)/Decrease in inventories	(1,240.43)	-
21 Employee Benefit Expense		
Salaries and Wages	46,183.54	41,051.80
Contribution to Provident and Other Funds	4,404.91	3,585.27
Staff Welfare Expenses	1,038.90	955.34
	51,627.35	45,592.41
22 Depreciation and Amortisation Expenses		
On Property Plant and Equipments	27,260.37	23,768.76
On Investment property	12,073.90	12,054.64
	39,334.27	35,823.40
23 Other Expenses		
Power and Fuel	8,782.61	10,982.35
Business Convention Expenses	113.28	-
Service charges	6,690.00	7,450.00
Rent, Rates and taxes	19,478.82	30,600.22
Payment to Auditor (Refer Note No. 25.02)	1,500.00	1,200.00
Insurance	1,276.15	1,525.41
Legal and professional Fees	2,384.00	7,419.50
Sales Tax on Assessment	-	2,826.30
Printing and Stationery	335.40	581.87
Freight & Forwarding	373.18	503.48
Travelling and Conveyance	11,116.92	10,420.16
Security Service Charges	-	125.00
Repairs & Maintenance	10,225.99	8,106.57
Share Dept Expenses	1,119.34	1,082.24
Software Expenses	30.00	30.00
Bad Debts written off	-	2,319.67
Service Tax Expenses	51.66	237.74
Directors' Sitting Fees	680.00	780.00
Membership & Subscription	2,791.69	2,457.00
Communication and Printing Expenses	1,444.02	2,197.77
Vehicle Expenses	5,115.60	3,068.06
Miscellaneous Expenses	1,819.67	3,191.45
	75,328.33	97,104.79
24 Income Tax Expenses		
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) Income tax recognised in profit or loss		
Tax Expenses		
Current Tax	17,167.51	3,350.00
Deferred Tax	2,604.58	1,04,587.11
Income tax for earlier years	1,417.90	(7,813.93)
Income tax expense recognised in profit or loss	21,189.99	1,00,123.18
(b) Income tax recognised in OCI		
Unrealised (gain)/loss on FVTOCI equity securities	(1,592.58)	3,255.34
Net loss/(gain) on remeasurements of defined benefit plans	1,723.99	-
Income tax expense recognised in OCI	131.41	3,255.34
(c) Reconciliation of tax expense and the accounting profit multiplied by Income tax rate under Normal provision:		
Profit before income tax	1,30,309.12	5,03,716.71
Enacted Tax rates as per Income tax Act, 1961	27.55%	33.06%
Computed expected tax expenses	35,903.42	1,66,543.86
(Tax on Income) which are not chargeable and tax on Expenses which are not allowable under Income tax (Net)	(33,993.94)	(1,64,613.70)
Income tax paid under MAT	17,167.51	3,350.00
Income tax for earlier years	1,417.90	(7,813.93)
Tax effect on various other items	695.10	1,02,656.95
Income Tax Expenses	21,189.99	1,00,123.18

The applicable statutory tax rate for the year ended March 31, 2018 is 27.55% and March 31, 2017 is 33.06%.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

25.01 CONTINGENT LIABILITIES AND COMMITMENTS (Not Provided for)	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
1) CONTINGENT LIABILITIES			
Claims not acknowledged as debts* (Demands for Excise and Sales Tax under contest)	29,025.57	29,025.57	28,971.31
Future Profitability may be affected to the extent indicated if such liabilities crystallise. *Out of above ₹ 10,932.00 Hundred (Previous Year ₹ 10,932.00 Hundred) paid under protest			
2) COMMITMENTS			
Estimated amount of contracts remaining to be executed on Capital Account	19,971.90	86,544.90	2,12,361.51

	Current Year	Previous Year
25.02 Payment to Auditors :		
Audit Fees	900.00	750.00
Tax Audit Fees	150.00	150.00
Limited Review Fees	450.00	300.00
	1,500.00	1,200.00

	As at 31-03-2018	As at 31-03-2017
25.03 MICRO AND SMALL ENTERPRISES :		
The Company has not received any intimation from its creditors regarding their respective status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act could not be made. (Relied upon by auditors)	-	-

	Current Year	Previous Year
25.04 EARNING PER SHARE (EPS)		
Basic and Diluted		
a) Net Profit/(loss) after taxation (₹)	1,09,119.13	4,03,593.53
b) No. of Equity Shares of ₹10 each	6,79,474	6,79,474
c) Basic and Diluted Earning Per share (₹)	16.06	59.40

25.05 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
 - ii) Enterprises & other parties over which person having control is able to exercise significant influence and with whom transactions have taken place during the year :

Achal Exim Pvt. Ltd	West Leisure Resorts Ltd
Hardcastle Petrofer Pvt. Ltd	West Pioneer Properties (India) Pvt. Ltd
Saubhagya Impex Pvt. Ltd	Acacia Impex Pvt. Ltd.
Vishwas Investment & Trading Co. Pvt. Ltd	Hawco Petrofer LLP
Winmore Leasing & Holdings Ltd	

All the above entities are Incorporated in India.

- iii) Key Management Personnel :

Smt Smita Achrekar - Company Secretary	
Shri Narendra Abhichandani - Chief Financial Officer	
Shri Om Prakash Adukia - Non-Executive Director	
Late Hasumukh Gandhi - Independent- Non-Executive Director	(Demised on 24.05.2017)
Shri Dharmendra Agarwal - Independent- Non-Executive Director	(upto 29.05.2016)
Shri Chandra Kant Khaitan - Independent- Non-Executive Director	(upto 29.05.2016)
Smt Smita Jatia - Non-Executive Director	
Shri Sunil Kantilal Trivedi - Independent- Non-Executive Director	(w.e.f. 30.05.2016)
Smt Rekha Pacharia - Independent- Non-Executive Director	(w.e.f. 30.05.2016)
Shri Govind Prasad Goyal - Independent- Non-Executive Director	(w.e.f. 04.09.2017)

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

B) Material transactions during the year :

(₹ in Hundreds)

	Person having control	Enterprises & other parties over which person having control is able to exercise significant influence	Key Management Personnel
a) Rent Income	-	1,23,630.00	-
	-	(1,21,570.00)	-
b) Service Charges Income	-	12,000.00	-
	-	(12,000.00)	-
c) Rent Paid	-	6,000.00	-
	-	(15,000.00)	-
d) Service Charges Paid	-	6,570.00	-
	-	(7,200.00)	-
e) Purchase of Investments	-	16,24,350.00	-
	-	-	-
f) Sale of Investments	16,36,766.25	92,730.00	-
	-	(1,30,820.00)	-
g) Purchase of Trade Goods	-	1,34,136.75	-
	-	(1,49,513.59)	-
h) Remuneration paid	-	-	17,208.42
Short term employee benefits	(3,080.00)	-	(15,883.85)
Post-employment benefits	-	-	6,888.46
	-	-	(6,222.12)
i) Directors' Sitting Fees	-	-	680.00
	-	-	(780.00)
j) Commission paid	-	4,165.00	-
	-	-	-
Figures in () represent previous year figures.			
C) Balance Outstanding as at :			
31.03.2018	-	-	2,078.04
31.03.2017	-	-	3,567.52
31.03.2016	-	32,531.63	-

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

25.06 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)		
	2017-18	2016-17	2015-16
Obligations at beginning of the year	24,226.00	22,384.01	21,096.25
Interest Cost	1,574.69	1,734.76	1,634.96
Service Cost	2,209.58	1,571.78	1,515.85
Actuarial (Gain)/Loss	7,917.75	(1,464.55)	(1,863.05)
Obligations at end of the year	35,928.02	24,226.00	22,384.01
Change in Plan Assets			
Fair Value of Plan Assets at beginning of the year	25,771.37	23,949.14	22,093.27
Expected Return on Plan Assets	1,115.11	1,964.52	2,004.21
Contributions	-	-	-
Benefits Settled	-	-	-
Actuarial Gain/(Loss)	1,782.69	(142.29)	(148.34)
Fair Value of Plan Assets at end of the year	28,669.17	25,771.37	23,949.14

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

	2017-18	2016-17	2015-16
Reconciliation of Present Value of Obligations and Fair Value of Plan Assets			
Fair Value of Plan Assets at end of year	(28,669.17)	(25,771.37)	22,384.01
Present Value of defined benefit obligations at end of year	35,928.02	24,226.00	(23,949.14)
Liability/(Asset) recognised in Balance Sheet	7,258.85	(1,545.37)	(1,565.13)
Gratuity Cost for the year			
Amount recognised in Statement of Profit & Loss			
Service Cost	2,209.58	1,571.78	
Interest Cost	1,574.69	1,734.76	
Expected Return on Plan Assets	(1,115.11)	(1,964.52)	
Net Cost Included in Employee Benefit Expense	2,669.16	1,342.02	
Amount recognised in Other Comprehensive Income			
Actuarial (Gain)/Loss	6,135.06	(1,322.26)	
Expected return on plan assets not included in the interest income	560.03	(108.46)	
Net (Income) / Expense for the Period Recognised in OCI	6,695.09	(1,430.72)	
Assumptions			
Interest Rate	7.50%	6.50%	7.75%
Expected Return on Plan Assets	7.50%	6.50%	7.75%
Expected Rate of Salary Increase	7.00%	7.00%	7.00%
Attrition Rate	1.00%	1.00%	1.00%
Retirement Age	55-58 years	55-58 years	55-58 years

A quantitative sensitivity analysis significant assumption as at March 31, 2018 is shown below:

Assumptions	Discount rate		Salary growth rate	
	1 % increase	1 % decrease	1 % increase	1 % decrease
Sensitivity Level				
March 31, 2018				
Impact on defined benefit obligation	(251.42)	284.07	282.67	(254.76)
% Impact	-0.70%	0.79%	0.79%	-0.71%
March 31, 2017				
Impact on defined benefit obligation	(271.47)	305.28	300.78	(272.68)
% Impact	-1.12%	1.26%	1.24%	-1.13%

The sensitivity analysis above has 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.

Expected future benefit payments of Gratuity

Year	(₹ in Hundreds)
March 31, 2019	31,511.96
March 31, 2020	1,950.00
March 31, 2021	1,596.92
March 31, 2022	2,098.56
Thereafter	4,280.77
Total expected payments	41,438.21

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 ₹ 19,62.26 hundred (March 31, 2017: ₹ 19,50.71 hundred).

LEAVE OBLIGATIONS

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

The amount of the provision of ₹ 41,56.20 hundred (March 31, 2017: ₹ 37,10.25 hundred) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

25.07 SEGMENT INFORMATION (As per Ind AS 108) :	Current Year	Previous Year	
Primary Segment reporting - Business Segments			
SEGMENT REVENUE			
Industrial Chemicals	1,67,683.03	1,85,664.67	
Investments	1,28,316.81	5,10,879.39	
Leasing Activities	1,25,430.00	1,25,112.28	
Total	4,21,429.84	8,21,656.34	
SEGMENT EXPENSES			
Industrial Chemicals	1,45,666.23	1,68,125.27	
Investments	5.18	-	
Leasing Activities	42,056.64	38,604.50	
Total	1,87,728.05	2,06,729.77	
SEGMENT RESULT			
Industrial Chemicals	22,016.80	17,539.40	
Investments	1,28,311.63	5,10,879.39	
Leasing Activities	83,373.36	86,507.78	
Total	2,33,701.79	6,14,926.57	
RECONCILIATION OF SEGMENT RESULT WITH PROFIT AFTER TAX			
SEGMENT RESULT	2,33,701.79	6,14,926.57	
Unallocated Corporate (Expenses)/Income	(1,03,392.67)	(1,11,209.86)	
Operating Profit/(Loss)	1,30,309.12	5,03,716.71	
Income Tax (including Deferred Tax)	21,189.99	1,00,123.18	
Net Profit/(Loss) After Tax	1,09,119.13	4,03,593.53	
Other Comprehensive Income	4,778.90	3,681.92	
Total Comprehensive Income for the year (Comprising Profit / (Loss) and other Comprehensive Income for the year)	1,13,898.03	4,07,275.45	
	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
OTHER INFORMATION			
Total carrying amount of Segment Assets			
Industrial Chemicals	63,778.45	50,263.50	2,60,617.90
Investments	20,40,778.71	19,70,831.76	17,05,765.18
Leasing Activities	9,13,471.15	9,46,326.29	6,94,677.27
Unallocated Corporate Assets	9,01,545.77	8,43,914.71	7,68,983.79
Total Assets	39,19,574.08	38,11,336.26	34,30,044.14
Total carrying amount of Segment Liabilities			
Industrial Chemicals	107.33	107.33	32,753.13
Investments	-	-	-
Leasing Activities	2,22,818.22	2,34,953.50	2,25,000.00
Unallocated Corporate Liabilities	19,340.25	12,865.18	16,156.21
Total	2,42,265.80	2,47,926.01	2,73,909.34
	Current Year	Previous Year	
Capital Expenditure incurred during the year	27,726.19	76,552.29	
Other Non Cash Expenditure	39,334.27	35,823.40	
Transaction with external customers 10 % or more of Company's revenue	2,29,052.31	2,52,007.63	

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

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Hundreds)

25.08 LEASES :	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
i) Non-cancellable operating leases taken for use of premises :			
Less than one year	250.00	2,500.00	3,750.00
One to five years	Nil	7,344.00	14,688.00
More than five years	Nil	Nil	Nil
Total minimum lease rental obligations	250.00	9,844.00	18,438.00
ii) Non-cancellable operating leases granted for use of premises :			
Less than one year	14,440.00	27,990.00	39,670.00
One to five years	Nil	Nil	Nil
More than five years	Nil	Nil	Nil
Total minimum lease rental	14,440.00	27,990.00	39,670.00

25.09 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
March 31, 2018								
Financial Assets								
Non-current Investments								
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
Preference Shares - Unquoted	1,75,480.00	-	-	1,75,480.00	-	1,75,480.00	-	1,75,480.00
Current 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	-	-	-	-
	2,08,366.22	18,32,412.49	67,343.74	21,08,122.45	36,389.88	18,15,573.70	1,88,815.13	20,40,778.71
Financial liabilities								
Trade Payables	-	-	-	-	-	-	-	-
Security Deposits	-	-	2,20,000.00	2,20,000.00	-	-	-	-
Others	-	-	10,850.75	10,850.75	-	-	-	-
	-	-	2,30,850.75	2,30,850.75	-	-	-	-
March 31, 2017								
Financial Assets								
Non-current Investments								
Quoted	-	3,816.21	-	3,816.21	3,816.21	-	-	3,816.21
Unquoted	-	1,88,736.41	-	1,88,736.41	-	-	1,88,736.41	1,88,736.41
Preference Shares - Unquoted	17,78,279.14	-	-	17,78,279.14	-	17,78,279.14	-	17,78,279.14
Current Investments								
Mutual Fund units	-	-	-	-	-	-	-	-
Trade Receivables	-	-	34,876.47	34,876.47	-	-	-	-
Cash and Cash Equivalents	-	-	33,162.78	33,162.78	-	-	-	-
	17,78,279.14	1,92,552.62	68,039.25	20,38,871.01	3,816.21	17,78,279.14	1,88,736.41	19,70,831.76
Financial liabilities								
Trade Payables	-	-	7,319.82	7,319.82	-	-	-	-
Security Deposits	-	-	2,25,000.00	2,25,000.00	-	-	-	-
Others	-	-	11,895.94	11,895.94	-	-	-	-
	-	-	2,44,215.76	2,44,215.76	-	-	-	-

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
April 01, 2016								
Financial Assets								
Non-current Investments								
Quoted	-	3,488.25	-	3,488.25	3,488.25	-	-	3,488.25
Unquoted	-	1,90,131.36	-	1,90,131.36	-	-	1,90,131.36	1,90,131.36
Preference Shares - Unquoted	14,36,283.50	-	-	14,36,283.50	-	14,36,283.50	-	14,36,283.50
Current Investments								
Mutual Fund Units	75,862.07	-	-	75,862.07	75,862.07	-	-	75,862.07
Trade Receivables	-	-	41,593.83	41,593.83	-	-	-	-
Cash and Cash Equivalents	-	-	43,597.58	43,597.58	-	-	-	-
	15,12,145.57	1,93,619.61	85,191.41	17,90,956.59	79,350.32	14,36,283.50	1,90,131.36	17,05,765.18
Financial liabilities								
Trade Payables	-	-	32,579.07	32,579.07	-	-	-	-
Security Deposits	-	-	2,25,000.00	2,25,000.00	-	-	-	-
Others	-	-	13,290.20	13,290.20	-	-	-	-
	-	-	2,70,869.27	2,70,869.27	-	-	-	-

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
As at April 1, 2016	
Remeasurement recognised in OCI	1,90,131.36
Purchases	(1,394.95)
Sales	-
As at March 31, 2017	1,88,736.41
Remeasurement recognised in OCI	78.72
Purchases	-
Sales	-
As at March 31, 2018	1,88,815.13

25.10 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.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(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 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.

(₹ in Hundreds)

Particulars	Contractual cash flows					Total
	Carrying amount	Upto 1 year	1-3 years years	3-5 years years	More than 5 years 5 years	
As at 31st March 2018						
Financial liabilities						
Trade Payables	-	-	-	-	-	-
Other financial liabilities	2,30,850.75	2,30,850.75	-	-	-	2,30,850.75
	2,30,850.75	2,30,850.75	-	-	-	2,30,850.75
As at 31st March 2017						
Financial liabilities						
Trade Payables	7,319.82	7,319.82	-	-	-	7,319.82
Other financial liabilities	2,36,895.94	2,36,895.94	-	-	-	2,36,895.94
	2,44,215.76	2,44,215.76	-	-	-	2,44,215.76
As at 1st April 2016						
Financial liabilities						
Trade Payables	32,579.07	32,579.07	-	-	-	32,579.07
Other financial liabilities	2,38,290.20	2,38,290.20	-	-	-	2,38,290.20
	2,70,869.27	2,70,869.27	-	-	-	2,70,869.27

(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.

25.11 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, 2018, 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.

25.12 Disclosure pursuant to Ind AS 101 "First time adoption of Indian Accounting Standards"
(i) Transition to Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2017, with a transition date of April 01, 2016. These financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act 2013, read together with the relevant Rules thereunder ('previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2018, together with the comparative information as at and for the year ended March 31, 2017 and the opening Ind AS Balance Sheet as at April 01, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Previous GAAP and have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

(ii) Optional Exemptions Availed

Deemed cost

The Company has elected to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognised in the financial statements as the deemed cost at the date of transition to Ind AS, measured as per the previous GAAP.

(iii) Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

(i) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

(ii) Classification and measurement of financial assets

The Company has classified and measured financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iv) Reconciliation of Equity

Particulars	Note	(₹ in Hundreds)	
		As at 31-03-2017	As at 01-04-2016
Equity as per IGAAP		35,96,846.54	35,74,602.82
Ind AS Adjustments			
Fair Valuation of Investments	A	(1,36,170.74)	(6,26,132.49)
Deferred tax (including MAT)	B	1,06,042.70	2,07,664.47
Depreciation on Investment Properties	C	(3,308.25)	-
Total Ind AS Adjustments		(33,436.29)	(4,18,468.02)
Equity as per Ind AS		35,63,410.25	31,56,134.80

(v) Reconciliation of Total Comprehensive Income

Particulars	Note	(₹ in Hundreds)	
		For the Year ended 31.03.2017	
Net Profit as per previous Indian GAAP		22,243.72	
Ind AS Adjustments			
Depreciation on Investment Properties	C	(3,308.25)	
Employee Benefit Expenses	D	(1,430.72)	
Adjustments in Deferred Tax	B	(1,04,877.11)	
Fair Valuation of Investments	A	4,90,965.89	
Other Comprehensive Income (Net of Taxes)	A	3,681.92	
Total Ind AS Adjustments		3,85,031.73	
Total Comprehensive Income for the Year		4,07,275.45	

(vi) There were no material differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP.

Note :-

A Fair Valuation of Investment

Under the previous GAAP, investments in equity instruments and mutual fund units were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these Investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended March 31, 2017.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – FVTOCI reserve as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2017.

B Deferred Tax

Under the previous Indian GAAP, deferred tax accounting using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 required entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous Indian GAAP.

Unused tax credits like MAT Credit entitlement are considered as Deferred Tax.

C Property Plant and Equipment and Investment Properties

Under the previous Indian GAAP, investment property was presented as part of Non-Current Investments and Fixed Assets, whereas under Ind AS, investment properties are required to be shown separately under the head "Investment Property". The Company has elected to measure property, plant and equipment and investment properties at deemed cost at the date of transition of Ind AS.

D Defined Benefit

Both under previous Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under previous Indian GAAP, the entire cost, including rereasurements, are charged to profit or loss. Under Ind AS, rereasurements [comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liability and return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

25.13 Loans and Advances include deposits of ₹ 12,459.93 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.

25.14 Sales exclude Sales Tax/VAT/GST amounting to ₹ 23,795.77 hundred (Previous Year ₹ 94,16.17 hundred) collected from customers and paid to the concerned Sales Tax/Goods and Service Tax Department

25.15 Disclosure required under Section 186 (4) of Companies Act, 2013

Details of Investment made appear under the respective heads (refer note no. 4 & 8)

25.16 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 25

As per our report of date attached

For GMJ & CO

Chartered Accountants

Firm Registration No.103429W

CA S. Maheshwari

Partner

M. No. 038755

Place: Mumbai

Date : 29th May, 2018

For and on behalf of the Board

Banwari Lal Jatia

Managing Director

DIN : 00016823

Narendra Abhichandani

Chief Financial Officer

Place: Mumbai

Date : 29th May, 2018

Om Prakash Adukia

Director

DIN : 00017001

Smita Achrekar

Company Secretary

HARDCASTLE AND WAUD MANUFACTURING COMPANY LTD

Registered Office: Mall Office, 2nd Floor, Metro Junction Mall of West Pioneer Properties (I) Pvt Ltd, Netivali, Kalyan (E) 421306
Tel. No.: 022- 22837658-63 • Fax No.: 022- 22873176 • 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 _____ 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 72nd Annual General Meeting of the Company to be held on Thursday, the 27th September, 2018 at 11.00 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 Audited Financial Statements of the Company for year ended March 31, 2018 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.	Ratification of appointment of M/s. GMJ & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2018-2019 and to fix their remuneration.
4.	Continuation of appointment of Mr Om Prakash Adukia (DIN: 00017001) as a non-executive director of the Company beyond 31.3.2019.

Signed this day of 2018.

Signature of shareholder

Signature of Proxy holder(s)

Affix Rs.1
Revenue
Stamp
Here

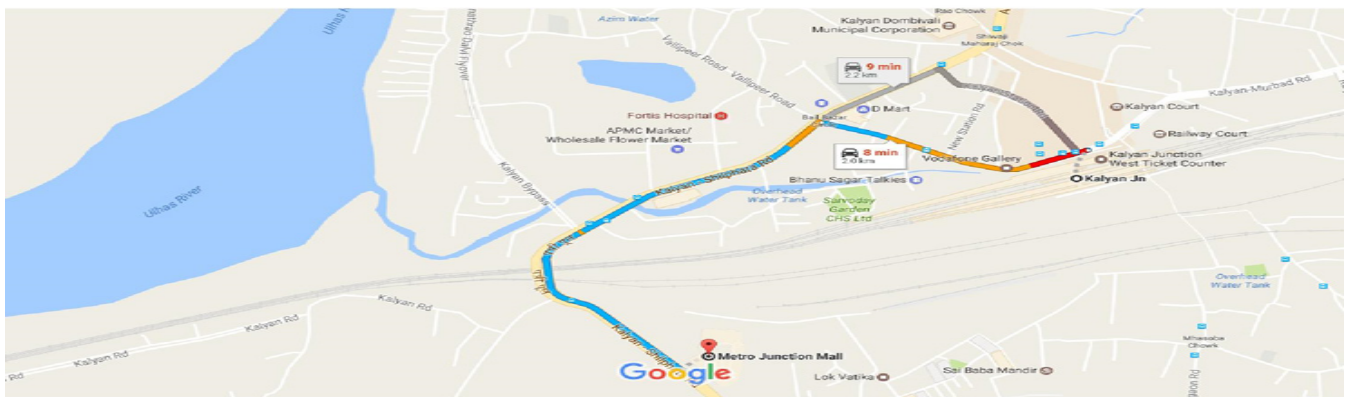
Notes:

1. 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.
2. A proxy need not be a member of the Company.
3. Alterations, if any made in the Form of Proxy should be initialled.
4. 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.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. 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





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 LIMITED

Regd.Off: 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

ATTENDANCE SLIP

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

Sr.No.:

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

I/We hereby record my/our presence at the 72nd 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 Thursday, the 27th September, 2018.

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.

REVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
109020		