




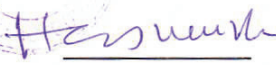



Hardcastle & Waud Manufacturing Co. Ltd.

BRABOURNE STADIUM,
87, VEER NARIMAN ROAD,
MUMBAI - 400 020.
CIN : L99999MH1945PLC004581
TEL. : 91-22-2283 7658-63
FAX : 91-22-2287 3176
E MAIL: ho@hawcoindia.com

FORM A

Format of covering letter of the annual audit report to be filed with the
stock exchanges

| | | |
|---|--|---|
| 1 | Name of the Company | Hardcastle & Waud Mfg. Company Limited |
| 2 | Annual financial statements for the year ended | 31 st March, 2015 |
| 3 | Type of Audit observation | Un-qualified |
| 4 | Frequency of observation | Question does not arise |
| 5 | To be signed by – <ul style="list-style-type: none">• CEO/ Managing Director• CFO• Auditor of the Company• Audit Committee Chairman | Mr. Banwari Lal Jatia  Mr. Narendra Abhichandani  M/s GMJ & Co. Mr. Atul Jain (Partner)  Mr. Hasmukh Gandhi   |



**HARDCASTLE & WAUD
MANUFACTURING COMPANY LIMITED**

69th Annual Report
2014-2015

BOARD OF DIRECTORS

Banwari Lal Jatia, *Managing Director*
Narendra Sardarsingh Karnavat
Hasmukh Balkrishna Gandhi
Tushar Gopalkrishna Agarwal
Om Prakash Adukia
Dharmendra Agarwal
Smita Jatia

AUDITORS

Messrs GMJ & Co.

REGISTERED OFFICE

Netivali Baug, Kalyan 421 306

HEAD OFFICE

Brabourne Stadium, 87, Veer Nariman Road,
Mumbai 400 020.

WORKS

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

REGISTRARS & TRANSFER AGENT

Sharepro Services (India) Pvt. Ltd.,
13 AB, Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off. Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400 072

Notice

Notice is hereby given that the Sixty Ninth Annual General Meeting of members of Hardcastle and Waud Manufacturing Company Limited will be held at the Registered Office of the Company at Netivali Baug, Kalyan (East) - 421306 on Wednesday, the 30th September, 2015 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date together with the reports of the Directors and the Auditors.
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 the provisions of Section 139(2) 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 2015-2016 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 modification, the following resolution as an ordinary resolution:
"RESOLVED THAT the appointment of Mr Dharmendra Agarwal (DIN:06406889), as an Independent Director of the Company be confirmed and that such appointment be for a period of five years with effect from 30th September,2015 not liable to retire by rotation."

Registered Office
Netivali Baug,
Kalyan - 421306
Dated: 12th August, 2015

By Order of the Board of Directors

(Smita Tambe)
Company Secretary

Notes:

1. A statement pursuant to Section 102 (1) of the Companies Act, 2013 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 and a proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10 per cent of the total share capital of the Company carrying voting rights.
Proxies, in order to be effective, must be delivered/ deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 29, 2015 to September 30, 2015.
4. 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 or the Registrars and Transfer Agent of the Company.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified true copy of their Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. Members are requested to notify any change of address and to get their respective bank account details updated with their respective depository participant or the Company's Registrars and Transfer Agent directly.
7. Members may, pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, file nomination in the prescribed Form SH-13 with the respective depository participant or the Company's Registrars and Transfer Agent.
8. Voting through electronic means
 - I. The Company provides members facility to 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. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- 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 27.9.2015 (9.00 am) and ends on 29.9.2015 (5.00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 23.9.2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is 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. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository participant(s)]:
 - (i) Open email and open PDF file viz; 'remote e-voting pdf' with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting in which case, you can use your existing password for casting the vote. If you have forgotten your password you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsd.com or contact NSDL at toll free no.1800-222-990.
 - (ii) Launch internet browser by typing the following URL:<https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Hardcastle & Waud Mfg. Co.Ltd.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on a resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature (s) of the duly authorised signatory(ies) who is (are) authorised to vote, to the Scrutinizer through e-mail to shaileshmay@yahoo.com with a copy marked to evoting@nsdl.co.in.
 - B. In case a member receives physical copy of the Notice of AGM [for members, whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided as below at the bottom of the Ballot Form:

| EVEN (Remote e-voting Event Number) | USER ID | PASSWORD/PIN |
|-------------------------------------|---------|--------------|
| | | |
 - (ii) Please follow all steps from Sl.No. A (ii) to Sl.No. A (xii), to cast vote.
 - C. Those members who are unable to cast their vote through e-voting mechanism, may complete and sign the ballot form and get the same delivered in a sealed envelope to the scrutinizer, Mr Shailesh Kachalia, practising Company Secretary (CP No.3888) Unit "Hardcastle & Waud Manufacturing Co. Ltd." Om Sri Co-op Hsg. Society Ltd. 'A' wing, Flat No.7, 1st floor, Near Shanti Ashram, Borivali (W), Mumbai – 400103 so as to reach the scrutinizer latest by 5 p.m on 29.9.2015. Ballot forms received thereafter will strictly be treated as if not received. In the event a member casts his vote through both the processes, i.e. evoting and ballot form, the vote in the electronic system would be considered and the ballot form would be ignored.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of www.evoting.nsd.com or call on toll free no.:1800-222-990.
- VII. The voting rights of members shall be in proportion to their respective share in the paid up equity share capital of the Company as on the cut-off date of 23.9.2015.
- VIII. Any person, who acquires shares of the Company and becomes member of the Company after despatch of this notice and holding shares as of the cut-off date i.e. 23.9.2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or at kumaresan@shareproservices.com.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- X. Mr Shailesh Kachalia, Practising Company Secretary (CP No.3888) has been appointed as the Scrutinizer to scrutinise the voting and remote e-voting process in a fair and transparent manner.
- XI. The Chairman of the AGM, shall, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutiniser, by use of "Ballot Paper" for all those members who are present at the AGM but have not already cast their votes.

9. Members who have not yet collected their new share certificates issued pursuant to the court approved Scheme dt 13.12.1999 for demerger of the Power Coating Undertaking of the Company are advised to do so by surrendering their old certificates for shares in the Company either in person or by sending through post to the Registrars and Transfer Agent of the Company, in their own interest.
10. Details of Directors seeking re-appointment and details of new Director to be appointed at the forthcoming AGM (Pursuant to Clause 49 of the Listing Agreement) are furnished below.

| | |
|--|--|
| (i) Name of Director : | Om Prakash Adukia |
| Date of Birth : | 21.04.1937 |
| Date of Appointment : | 01.05.2009 |
| Expertise in Specific Functional areas : | Possesses over 57 years experience in industrial business and financial management |
| Qualifications : | B.Com |
| Other Companies in which Directorship held : | Winmore Leasing and Holdings Ltd. West Leisure Resorts Ltd. Hawcoplast Investments & Trading Ltd. A V Processors Pvt. Ltd. Hawco Lubricants Pvt. Ltd. West Pioneer Properties (India) Pvt.Ltd. Hardcastle Restaurants Pvt. Ltd. |
| Chairman / Member of Committees of Boards of other Companies : | 1. Winmore Leasing and Holdings Ltd. a. Audit Committee (Member) b. Nomination and Remuneration Committee (Member) c. Stakeholders Relationship Committee (Member) 2. West Leisure Resorts Ltd. a. Audit Committee (Member) b. Nomination and Remuneration Committee (Member) c. Stakeholders Relationship Committee (Chairman) 3. Hardcastle Restaurants Pvt. Ltd. a. Audit Committee (Chairman) b. Nomination and Remuneration Committee (Member) 4. West Pioneer Properties (India) Pvt. Ltd. a. Audit Committee (Member) b. Nomination and Remuneration Committee (Member) |
| Shares held in the Company : | NIL |
| Relationship with other directors : | None |
| (ii) Name of Director : | Dharmendra Agarwal |
| Date of Birth : | 08.10.1959 |
| Date of Appointment : | 30.09.2013 |
| Expertise in Specific Functional areas : | Finance/Accounts/Business Administration |
| Qualifications : | B.Com C.A.(Inter) |
| Other Companies in which Directorship held: | None |
| Chairman / Member of Committees of Boards of other Companies: | None |
| Shares held in the Company : | NIL |
| Relationship with other directors: | None |

Annexure to the Notice

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

Item 4:

Mr Dharmendra Agarwal was appointed as a director of the Company by means of an ordinary resolution passed by members of the Company under the Companies Act, 1956 at the 67th AGM of the Company held on 30th September, 2013. He is an Independent Director within the meaning of Section 149(6) of the Act. Section 149(10) of the Act provides, inter alia, that an Independent Director shall hold office for a term of up to five consecutive years on the Board of a company. Further, pursuant to Section 149(13) of the Act, an Independent Director is not liable to retire by rotation. The resolution as appearing in the accompanying notice is intended to implement these provisions of the Act.

Mr Dharmendra Agarwal is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given his consent to act as a director.

The Company has received a notice in writing from a member along with the requisite deposit under section 160 of the Act proposing his candidature for the office of director of the Company.

The Company has received a declaration from the candidate that he meets the criteria as prescribed under the Act.

In the opinion of the Board Mr Dharmendra Agarwal, fulfills the conditions for appointment as an Independent Director as prescribed under the Act. Copy of a draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

Except for Mr Dharmendra Agarwal, none of the Directors or Key Managerial Personnel of the Company or their relatives is interested in this item of business.

The Board commends the resolution for members' approval.

Registered Office
Netivali Baug,
Kalyan – 421306

By Order of the Board of Directors

Dated: 12th August, 2015

(Smita Tambe)
Company Secretary

DIRECTORS REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in placing before you their Sixty Ninth Annual Report together with the Audited Financial Statements for the year ended March 31, 2015. The Management Discussion and Analysis is also included in this Report.

Economic Overview :

The global economy grew at 3.5% in 2015. The growth in 2014-15 was led by advanced economies particularly the US. Key factors which shaped the global economy were decline in prices of oil and other commodities, easy monetary policy followed by central banks globally in a bid to boost inflation and growth, slowdown in China and geopolitical risks.

The Indian economy, after a prolonged period of sluggish growth displayed some initial recovery signs during financial year 2014-15, largely attributed to an improved macroeconomic environment and pro-growth economic reforms initiated by the new government at the centre. Despite this, the investment climate remained subdued during 2014-15. It appears the reform process would take some more time to gain ground. Industrial demand was weak and capacity utilisation remained low across the sectors.

Against this back ground, the performance of your Company during 2014-15 is presented in the following paragraphs.

1. FINANCIAL RESULTS AND APPROPRIATIONS

| | Year Ended March 31, 2015 (₹ Lacs) | Previous Year March 31, 2014 (₹ Lacs) |
|--|--|---|
| Profit/ (Loss) before Interest, Depreciation & Exceptional Items | 133.00 | (14.29) |
| Interest | 0.02 | 3.55 |
| Depreciation, etc. | 32.25 | 28.04 |
| Profit/(Loss) before Taxation | 100.73 | (45.88) |
| Prior Year Adjustments | 11.70 | 0.25 |
| Provision for Taxation | 4.90 | 3.34 |
| Deferred Tax | (22.77) | (28.31) |
| Net /Profit/(Loss) after Taxation | 130.30 | (20.67) |
| Balance b/f from Previous Year | 3037.80 | 3058.47 |
| Total Available | 3168.10 | - |
| Transferred to General Reserve | 3168.00 | - |
| Carried forward | 0.10 | 3037.80 |

With a view to conserve the financial resources of the Company no dividend is being recommended.

2. OPERATIONS

During the year under review, revenue from operations of the Company was higher by 16.34% at ₹ 365.86 lacs as against 314.47 lacs in the previous year. The profit before tax significantly rose to ₹ 100.73 lacs as compared to the loss of ₹ 45.88 lacs recorded last year. Net profit after tax stood substantially higher at ₹ 130.30 lacs.

The Company is hopeful for a better year ahead.

As reported last year the Company's factory at Sarigam, Gujarat resumed manufacturing activities in April 2014. The plant has since stabilized its operations. It is presently engaged in doing job work.

No material changes and commitments have occurred after the close of the year till the date of this report which might affect the financial position of the Company.

3. DIRECTORS

- At the 68th AGM held on 30.09.2014, Mr B.L.Jatia was reappointed as the Managing Director of the Company for a period of 3 years w.e.f. 1.4.2014.
- Ms Smita Jatia was appointed as a Director at the 68th AGM held on 30.9.2014.

- c) Mr Om Prakash Adukia retires by rotation at the ensuing Annual General Meeting but being eligible offers himself for re-appointment.
- d) Mr Dharmendra Agarwal who is proposed to be appointed as an Independent Director possesses the requisite expertise and knowledge and is qualified for appointment as an Independent Director.

e) **Board Evaluation**

The Board has carried out an annual evaluation of its own performance, of the directors individually as well as of the independent directors. The performance evaluation of non-independent directors was also carried out by the independent directors at a separate meeting. The directors expressed satisfaction with the evaluation process and the results.

f) **Declaration by Independent Directors**

Necessary declarations have been obtained from each independent director under Section 149(7) of the Companies Act, 2013 (the Act) that he meets the criteria of independence laid down in Section 149 (6) of the Act.

g) **Meetings**

During the year six board meetings were convened and held.

4. CHIEF FINANCIAL OFFICER

Mr Narendra Abhichandani was appointed as the Chief Financial Officer of the Company w.e.f. 01.06.2014.

5. AUDITORS

M/s GMJ & Co., Chartered Accountants (Firm Registration No.103429W) were appointed as Statutory Auditors of the Company at the last Annual General Meeting for a period of five years subject to ratification by members at every subsequent Annual General Meeting. Ratification of their appointment is therefore being sought from members of the Company at the ensuing Annual General Meeting.

6. AUDITORS' REPORT

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

7. SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr Shailesh Kachalia, a Company Secretary in practice (C.P. No.3888) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed hereto as 'Annexure I'.

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

8. LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans given and investments made are given in the notes to the financial statements. No guarantees/securities were provided to other bodies corporate during the financial year.

9. 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 an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

10. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required by Section 134(3) (m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in Annexure II to this report.

11. INTERNAL FINANCIAL CONTROL

The Company has in place internal financial control systems, commensurate with its size and nature of operations to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective 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.

12. RISK MANAGEMENT

The Audit Committee has been delegated the responsibility of developing, implementing and monitoring a risk management plan and identifying, reviewing and mitigating all elements of risk which the Company may be exposed to.

13. NOMINATION AND REMUNERATION COMMITTEE

A Remuneration Committee had been constituted with Mr N S Karnavat as Chairman and M/s Hasmukh Gandhi and Tushar G Agarwal as members under the Companies Act, 1956. Keeping in view the new provisions of the Act, the Board has renamed the said committee as 'Nomination and Remuneration Committee' retaining the same members in the Committee.

The Company's policy on directors' appointment and remuneration, etc. is attached as Annexure III and forms part of this report.

14. CORPORATE SOCIAL RESPONSIBILITY

None of the three criteria specified in section 135(1) of the Act relating to constitution of a CSR Committee is applicable to the Company and as such is not required to be complied with.

15. AUDIT COMMITTEE

An Audit Committee was constituted by the Board at its meeting held on 6th May 2014 comprising Mr Hasmukh Gandhi as Chairman and M/s Narendra Karnavat, Mr Tushar Agarwal and Mr.O P Adukia as members with the Company Secretary Ms Smita Tambe as Secretary.

During the year there were no instances where the Board had not accepted the recommendations 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 such mechanism.

16. SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company has no subsidiary, joint venture or associate.

17. PARTICULARS OF EMPLOYEES

- a. Prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as Annexure – IV and form part of this report.
- b. There are no employees covered by Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. EXTRACT OF ANNUAL RETURN

An extract of the Company's Annual Return in form MGT-9 is annexed hereto as Annexure V.

19. CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement has been attached and forms part of this Report.

20. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (b) The directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period ;
- (c) The directors have taken proper and sufficient care for the 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 directors have prepared the annual accounts on a going concern basis;
- (e) The directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- (f) The directors have devised proper systems to ensure compliance with provisions of all applicable laws and such systems are adequate and operating effectively.

21. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions covered by these items during the year under review:

1. Details relating to Deposits covered under Chapter V of the Act;
2. Issue of equity shares with differential rights as to dividend, voting or otherwise;
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the Company's going concern status and operations in the future.

Your directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

The Board sincerely thanks all stakeholders for their continued support.

For and on behalf of the Board

Dated: 12th August, 2015

Banwari Lal Jatia
Managing Director

Om Prakash Adukia
Director

ANNEXURE I
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
Hardcastle & Waud Mfg. Co. Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and good corporate practices by Hardcastle & 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 of 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 the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the Company has, during the period covering the financial year ended on 31st March, 2015 (Audit Period) complied with the statutory provisions listed hereunder and 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, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder,
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder,
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder,
- (iv) 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, and
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealings with the client ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

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

During the period under review the Company has complied with the 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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meetings 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 the meeting and for meaningful participation at the meeting.

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 Committees 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 the Company has :

- (i) authorised the Board of Directors to borrow monies not exceeding ₹ 500 crores in excess of the limits laid down under section 180(1) (c) of the Companies Act, 2013;
- (ii) authorised the Board of Directors to make investments upto a limit of ₹ 500 crores in excess of the limits laid down under section 186 (2) (c) of the Companies Act, 2013; and
- (iii) authorised the Board of Directors to contribute to Charitable and other funds in any one financial year not exceeding the greater of ₹ 20 lacs or 5% of the average net profits of the Company during the three immediately preceding financial years as laid down under Section 181 of the Companies Act, 2013.

Place : Mumbai
Date : 10.8.2015

Shailesh A. Kachalia
FCS No. 1391
C P No. 3888

ANNEXURE II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy :

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> (i) the steps taken or impact on conservation of energy : (ii) the steps taken by the company for utilising alternate sources of energy : (iii) the capital investment on energy conservation equipments : | } | <p>Appropriate measures are being adopted to derive maximum benefit from energy saving equipment and energy efficient technology for the production processes. However, no capital investment for energy conservation equipments was incurred.</p> |
|--|---|--|

(B) Technology absorption :

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> (i) the efforts made towards technology absorption : (ii) the benefits derived like products improvement, cost to reduction, product development or import substitution : (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) <ul style="list-style-type: none"> (a) the details of technology imported; (b) the year of imported; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and : (iv) the expenditure incurred on Research and Development : | } | <p>Efforts are being made to develop new processes and their upgradation.</p> <p>The Company has recently resumed manufacturing activity at the Sarigam Plant in Gujarat which was closed since November 2008;</p> <p style="text-align: center;">NIL</p> |
|---|---|---|

(₹ in Lacs)

| | 2014-2015 | 2013-2014 |
|--------------|-----------|-----------|
| a. Capital | NIL | NIL |
| b. Recurring | NIL | NIL |
| Total | NIL | NIL |

(C) Foreign exchange earnings and Outgo :

(₹ in Lacs)

| | 2014-2015 | 2013-2014 |
|--------|-----------|-----------|
| Earned | NIL | NIL |
| Outgo | 1.10 | 0.50 |

ANNEXURE III

Extract from Nomination and Remuneration Policy:

Policy relating to appointment, criteria of independence and remuneration of Directors / KMP

a) Qualifications:-

The objective is to have a Board of an appropriate composition with diverse background and experience and commitment to discharge their responsibilities that are relevant for the Company's operations such as:

- i) Educational and professional background,
- ii) General understanding of the Company's business,
- iii) Relevant expertise and experience acquired/possessed as member of board of other bodies corporate, and
- iv) Requirements prescribed from time to time under the Companies Act 2013, the Listing Agreement and other relevant law.

b) Independence :-

The Committee shall assess the independence of directors at the time of appointment / re-appointment as well as annually as laid down in the Companies Act 2013 and other applicable laws and regulations/ guidelines.

c) Remuneration :-

- a) The remuneration / compensation / commission etc. payable to the Managing Director / Whole-time Director, Non-Executive / Independent Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to approval of members of the Company and of the Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director / Whole-time Director shall be in accordance with the percentage / slabs / conditions as per the provisions of the Companies Act, 2013, and the Rules made thereunder.
- c) Increments to the existing remuneration / compensation structure linked to performance, shall be clear and meet appropriate performance benchmarks and may be recommended by the Committee in the case of directors to the Board which should be within the slabs approved by members in the case of Managing Director / Whole-time Director.

- d) The Committee will not propose to fix the actual amounts of remuneration that may be payable to each individual key managerial personnel or senior management personnel. However, the Committee while fixing the remuneration of any such key personnel shall consider the following:
1. The Industry practice for the same level of employment/office,
 2. Past performance /seniority of the concerned appointee,
 3. The nature of duties and responsibilities cast upon such person by reason of his / her holding that office.
 4. The remuneration should be such that it provides adequate incentive to the person to give his / her best to the Company and feel a sense of high satisfaction with the employment.
 5. The perquisites to be given to Managing Director / Whole-time Director/s, KMP & Senior Management Personnel will be as per industry practices and or as may be recommended by the Committee to the Board.

Remuneration to Whole-time and other Directors, KMP and Senior Management Personnel:-

The Managing Director / Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required, reflecting the short and long term performance objectives appropriate to the working of the Company and its goals.

Commission may be paid within the monetary limits fixed and approved by the Board subject to the overall limit not exceeding 1% of the net profits of the Company computed as per applicable provisions of the Companies Act, 2013.

Sitting Fees

The Non-Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committees thereof as may be recommended by the Committee and approved by the Board provided that the amount of such fees shall not exceed amounts prescribed in this behalf by the AOA and or Central Government from time to time.

ANNEXURE IV

REMUNERATION RATIO OF THE DIRECTORS / MANAGERIAL PERSONNEL / EMPLOYEES;

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

| Sr No. | Name | Designation | Remuneration F Y 2014-15 ₹ in lakhs | % Increase in remuneration 2014-15 | Ratio / Times per Median of employee remuneration |
|--------|-----------------------|--------------------------|--|---|---|
| 1 | Narendra Abhichandani | Chief Financial Officer | 7.12 | 6.43% | 1.63 |
| 2 | Smita Tambe | Company Secretary | 5.36 | Not quantified as the incumbent was employed only for part of the year 2013-14. | 1.23 |
| 3 | S C Pacharia | Treasury Manager | 4.89 | 11.13% | 1.12 |
| 4 | Hemant R Gohil | Factory Manager | 3.84 | 18.52% | 0.88 |
| 5 | Ramsingh Dhansingh | Executive Administration | 3.24 | 8.72% | 0.74 |
| 6 | Lekha Mohandas | Executive Secretary | 2.98 | 12.03% | 0.68 |

The median remuneration of employees of the company during the financial year was ₹ 4.365 lac.

ANNEXURE V

Form No. MGT -9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.3.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

- | | |
|--|---|
| i) CIN: | L99999MH1945PLC004581 |
| ii) Registration Date : | 15th October 1945 |
| iii) Name of the Company: | Hardcastle & Waud Mfg. Co.Ltd |
| iv) Category / Sub - Category of the Company : | Public Limited Company/ Limited by Shares |
| v) Address of the Registered office and contact details: | Netivali Baug, Kalyan 421306 Tel No.022-22837658-63. Fax No. 022-22873176 E-mail Id: ho@hawcoindia.com, Website: www.hawcoindia.com |

- vi) Whether listed company: Yes, with BSE LTD
- vii) Name, Address and Contact details of Registrars and Transfer Agent : Sharepro Services (India) Pvt Ltd
13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai – 400 072
Tel. 022-67720300 / 67720400
Fax No. 022-28591568
Email: sharepro@shareproservices.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the Company |
|--------|--|-----------------------------------|------------------------------------|
| 1 | Industrial Chemicals | 2029 | 62.55 |
| 2 | Investments | 6499 | 37.45 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

| S. NO. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING / SUBSIDIARY / ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|--------|---------------------------------|---------|----------------------------------|------------------|--------------------|
| 1 | | | | | |
| 2 | | | N.A. | | |

IV Shareholding Pattern of the Company

i) Category-wise Shareholding:

| Category of Shareholders | No. of Shares held at the beginning of the year 1st April 2014 | | | | No. of Shares held at the end of the year 31st March 2015 | | | | % Change during the year |
|---|---|----------|---------------|-------------------|--|----------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| A Promoters | | | | | | | | | |
| 1) Indian | | | | | | | | | |
| a Individuals/ HUF | 28454 | 0 | 28454 | 4.19 | 28454 | 0 | 28454 | 4.19 | 0.00 |
| b Central Govt. | - | - | - | - | - | - | - | - | - |
| c State Govt. (s) | - | - | - | - | - | - | - | - | - |
| d Bodies Corporate | 456238 | 0 | 456238 | 67.15 | 456241 | 0 | 456241 | 67.15 | 0.00 |
| e Banks/ FI | - | - | - | - | - | - | - | - | - |
| f Any other | - | - | - | - | - | - | - | - | - |
| Sub-Total (A) (1) | 484692 | 0 | 484692 | 71.33 | 484695 | 0 | 484695 | 71.33 | 0.00 |
| 2) Foreign | | | | | | | | | |
| a NRI Individuals | 14488 | 0 | 14488 | 2.13 | 14488 | 0 | 14488 | 2.13 | |
| b Other Individuals | - | - | - | - | - | - | - | - | - |
| c Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d Banks/ FI | - | - | - | - | - | - | - | - | - |
| e Any other | - | - | - | - | - | - | - | - | - |
| Sub-Total (A) (2) | 14488 | 0 | 14488 | 2.13 | 14488 | 0 | 14488 | 2.13 | 0.00 |
| Total Shareholding of Promoter (A) = (A1 + A2) | 499180 | 0 | 499180 | 73.47 | 499183 | 0 | 499183 | 73.47 | |
| B Public Shareholding | | | | | | | | | |
| 1) Institutions | | | | | | | | | |
| a Mutual Funds | 0 | 560 | 560 | 0.08 | 0 | 560 | 560 | 0.08 | 0.00 |
| b Banks/ FI | - | - | - | - | - | - | - | - | - |
| c Central Govt. | - | - | - | - | - | - | - | - | - |
| d State Govt. (s) | - | - | - | - | - | - | - | - | - |
| e Venture Capital Funds | - | - | - | - | - | - | - | - | - |



| Category of Shareholders | No. of Shares held at the beginning of the year 1st April 2014 | | | | No. of Shares held at the end of the year 31st March 2015 | | | | % Change during the year |
|---|---|--------------|---------------|-------------------|--|--------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| f Insurance Companies | - | - | - | - | - | - | - | - | - |
| g FIs | 52291 | 0 | 52291 | 7.70 | 3318 | 0 | 3318 | 0.49 | -7.21 |
| h Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i Others | - | - | - | - | - | - | - | - | - |
| Sub-Total (B) (1) | 52291 | 560 | 52851 | 7.78 | 3318 | 560 | 3878 | 0.57 | -7.21 |
| 2) Non-Institutions | | | | | | | | | |
| a Bodies Corporates | | | | | | | | | |
| i. Indian | 20819 | 5213 | 26032 | 3.83 | 70382 | 5213 | 75595 | 11.13 | 7.29 |
| ii. Overseas | - | - | - | - | - | - | - | - | - |
| b Individuals | | | | | | | | | |
| i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh | 66499 | 27152 | 93651 | 13.78 | 72703 | 26919 | 99622 | 14.66 | 0.88 |
| ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh | - | - | - | - | - | - | - | - | - |
| c Others | | | | | | | | | |
| i. Non-Resident Indian | 7714 | 26 | 7740 | 1.14 | 1150 | 26 | 1176 | 0.17 | -0.97 |
| ii. Foreign Nationals | 0 | 20 | 20 | 0.00 | 0 | 20 | 20 | 0.00 | 0.00 |
| Sub-Total (B) (2) | 95032 | 32411 | 127443 | 18.76 | 144235 | 32178 | 176413 | 25.96 | 7.21 |
| Total Public Shareholding (B) = (B)(1) + (B)(2) | 147323 | 32971 | 180294 | 26.53 | 147553 | 32738 | 180291 | 26.53 | 0.00 |
| C Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 646503 | 32971 | 679474 | 100.00 | 646736 | 32738 | 679474 | 100.00 | 0.00 |

(ii) Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year (1.04.2014) | | | Shareholding at the end of the year (31.03.2015) | | | % change in share-holding during the year |
|--------|----------------------------------|--|----------------------------------|--|---|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 1 | WINMORE LEASING AND HOLDINGS LTD | 298946 | 44.00 | 0.00 | 298946 | 44.00 | 0.00 | 0.00 |
| 2 | SHRI AMBIKA TRADING CO PVT LTD | 78705 | 11.58 | 0.00 | 78705 | 11.58 | 0.00 | 0.00 |
| 3 | SAUBHAGYA IMPEX PVT LTD | 50051 | 7.37 | 0.00 | 50051 | 7.37 | 0.00 | 0.00 |
| 4 | ACHAL EXIM PVT LTD | 18606 | 2.74 | 0.00 | 18606 | 2.74 | 0.00 | 0.00 |
| 5 | ANURAG JATIA | 12588 | 1.85 | 0.00 | 12588 | 1.85 | 0.00 | 0.00 |
| 6 | AMIT JATIA | 10070 | 1.48 | 0.00 | 10070 | 1.48 | 0.00 | 0.00 |

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year (1.04.2014) | | | Shareholding at the end of the year (31.03.2015) | | | % change in share- holding during the year |
|--------|--|--|----------------------------------|--|---|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | |
| 7 | VISHWAS INVESTMENT & TRADING COMPANY PVT LTD | 9420 | 1.39 | 0.00 | 9420 | 1.39 | 0.00 | 0.00 |
| 8 | SMITA JATIA | 6586 | 0.97 | 0.00 | 6586 | 0.97 | 0.00 | 0.00 |
| 9 | BANWARI LAL JATIA | 6028 | 0.89 | 0.00 | 6028 | 0.89 | 0.00 | 0.00 |
| 10 | LALITA DEVI JATIA | 5550 | 0.82 | 0.00 | 5550 | 0.82 | 0.00 | 0.00 |
| 11 | AKSHAY AMIT JATIA | 950 | 0.14 | 0.00 | 950 | 0.14 | 0.00 | 0.00 |
| 12 | AYUSH AMIT JATIA | 950 | 0.14 | 0.00 | 950 | 0.14 | 0.00 | 0.00 |
| 13 | HORIZON IMPEX PVT LTD | 490 | 0.07 | 0.00 | 490 | 0.07 | 0.00 | 0.00 |
| 14 | USHA DEVI JATIA | 170 | 0.03 | 0.00 | 170 | 0.03 | 0.00 | 0.00 |
| 15 | AMIT JATIA | 50 | 0.01 | 0.00 | 50 | 0.01 | 0.00 | 0.00 |
| 16 | SUBH ASHISH EXIM PVT LTD | 20 | 0.00 | 0.00 | 20 | 0.00 | 0.00 | 0.00 |
| 17 | ANAND VEENA TWISTERS PVT LTD | 0 | 0.00 | 0.00 | 1 | 0.00 | 0.00 | 0.00 |
| 18 | HOUGHTON HARDCASTLE (INDIA) LIMITED | 0 | 0.00 | 0.00 | 1 | 0.00 | 0.00 | 0.00 |
| 19 | HAWCOPLAST INVESTMENTS AND TRADING LIMITED | 0 | 0.00 | 0.00 | 1 | 0.00 | 0.00 | 0.00 |
| TOTAL | | 499180 | 73.47 | 0.00 | 499183 | 73.47 | 0.00 | 0.00 |

(iii) Change in Promoters' Shareholding

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| | At the beginning of the year | 499,180 | 73.47 | - | - |
| | Date wise Increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment, transfer/ bonus/ sweat equity etc.) | 3 | 0 | 499183 | 73.47 |
| | At the end of the year | 499183 | 73.47 | 499183 | 73.47 |

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

| Sr. No | Name | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-14 to 31-03-15) | |
|--------|---|--|----------------------------------|------------|------------------------------------|------------------------------|--|----------------------------------|
| | | No. of Shares at the beginning (01-04-14) / end of the year (31-03-15) | % of total Shares of the Company | | | | No. of Shares | % of total Shares of the Company |
| 1 | INDUS EQUICAP CONSULTANCY PRIVATE LIMITED | 0 | 0.00 | 01/04/2014 | | | | |
| | | 36825 | 5.42 | 20/03/2015 | 36825 | Transfer | 36825 | 5.42 |
| 2 | BAY CAPITAL ADVISORS PRIVATE LIMITED | 0 | 0.00 | 01/04/2014 | | | | |
| | | | | 13/02/2015 | 3350 | Transfer | 3350 | 0.49 |
| | | | | 31/03/2015 | 8800 | Transfer | 12150 | 1.79 |
| 3 | DISCOVERY FINANCIAL SERVICES PVT. LTD. | 12150 | 1.79 | 31/03/2015 | | | | |
| | | 10000 | 1.47 | 01/04/2014 | | | | |
| | | 10000 | 1.47 | 31/03/2015 | | NIL MOVEMENT DURING THE YEAR | | |



| Sr. No | Name | Shareholding | | Date | Increase/Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-14 to 31-03-15) | |
|--------|---|--|----------------------------------|------------|-----------------------------------|----------|--|----------------------------------|
| | | No. of Shares at the beginning (01-04-14) / end of the year (31-03-15) | % of total Shares of the Company | | | | No. of Shares | % of total Shares of the Company |
| 4 | KANWARLAL ANOPCHAND BOTHRA | 951 | 0.14 | 01/04/2014 | | | | |
| | | | | 04/04/2014 | 265 | Transfer | 1216 | 0.18 |
| | | | | 18/04/2014 | 118 | Transfer | 1334 | 0.20 |
| | | | | 25/04/2014 | 152 | Transfer | 1486 | 0.22 |
| | | | | 02/05/2014 | 326 | Transfer | 1812 | 0.27 |
| | | | | 09/05/2014 | 885 | Transfer | 2697 | 0.40 |
| | | | | 16/05/2014 | 99 | Transfer | 2796 | 0.41 |
| | | | | 25/07/2014 | 575 | Transfer | 3371 | 0.50 |
| | | | | 08/08/2014 | 100 | Transfer | 3471 | 0.51 |
| | | | | 12/09/2014 | -367 | Transfer | 3104 | 0.46 |
| | | | | 24/10/2014 | 175 | Transfer | 3279 | 0.48 |
| | | | | 31/10/2014 | 34 | Transfer | 3313 | 0.49 |
| | | | | 14/11/2014 | 59 | Transfer | 3372 | 0.50 |
| | | | | 12/12/2014 | 75 | Transfer | 3447 | 0.51 |
| | | 13/02/2015 | 959 | Transfer | 4406 | 0.65 | | |
| | | 06/03/2015 | 113 | Transfer | 4519 | 0.67 | | |
| | | 13/03/2015 | 1990 | Transfer | 6509 | 0.96 | | |
| 5 | VIJAY AGGARWAL | 6509 | 0.96 | 31/03/2015 | | | | |
| | | 5000 | 0.74 | 01/04/2014 | | | | |
| | | 5000 | 0.74 | 31/03/2015 | | | | |
| 6 | INDIA DISCOVERY FUND LIMITED | 52291 | 7.70 | 01/04/2014 | | | | |
| | | | | 13/02/2015 | -12150 | Transfer | 40141 | 5.91 |
| | | | | 13/03/2015 | -20000 | Transfer | 20141 | 2.96 |
| | | | | 20/03/2015 | -16823 | Transfer | 3318 | 0.49 |
| 7 | SHRINGAR FILM PRIVATE LIMITED | 3318 | 0.49 | 31/03/2015 | | | | |
| | | 5487 | 0.81 | 01/04/2014 | | | | |
| | | | | 16/01/2015 | -216 | Transfer | 5271 | 0.78 |
| | | | | 23/01/2015 | -62 | Transfer | 5209 | 0.77 |
| | | | | 06/02/2015 | -27 | Transfer | 5182 | 0.76 |
| | | | | 13/02/2015 | -1939 | Transfer | 3243 | 0.48 |
| | | | | 27/02/2015 | -200 | Transfer | 3043 | 0.45 |
| | | 31/03/2015 | -148 | Transfer | 2895 | 0.43 | | |
| 8 | KASHMIRA INVESTMENT AND LEASING PRIVATE LTD | 2895 | 0.43 | 31/03/2015 | | | | |
| | | 5 | 0.00 | 01/04/2014 | | | | |
| | | | | 23/05/2014 | -5 | Transfer | 0 | 0.00 |
| | | 23/01/2015 | 2500 | Transfer | 2500 | 0.37 | | |
| 9 | KAMLESH HIMATLAL SHAH | 2500 | 0.37 | 31/03/2015 | | | | |
| | | 179 | 0.03 | 01/04/2014 | | | | |
| | | | | 16/01/2015 | 510 | Transfer | 689 | 0.10 |
| | | | | 23/01/2015 | 1000 | Transfer | 1689 | 0.25 |
| | | | | 27/02/2015 | 600 | Transfer | 2289 | 0.34 |
| 10 | SUVA K BOTHRA | 2289 | 0.34 | 31/03/2015 | | | | |
| | | 4351 | 0.64 | 01/04/2014 | | | | |
| | | | | 04/04/2014 | 200 | Transfer | 4551 | 0.67 |
| | | | | 30/09/2014 | -280 | Transfer | 4271 | 0.63 |
| | | | | 13/03/2015 | -1990 | Transfer | 2281 | 0.34 |
| | | 2281 | 0.34 | 31/03/2015 | | | | |

NIL MOVEMENT DURING THE YEAR

(v) Shareholding Pattern of Directors and Key Managerial Personnel

| Sr. Shareholder's No | Shareholder's Name | Shareholding | | Date | Increase/ Decrease in shareholding | Reason | Cumulative Shareholding during the year (01-04-14 to 31-03-15) | |
|----------------------|-----------------------|--|----------------------------------|-----------|------------------------------------|----------|--|----------------------------------|
| | | No. of Shares at the beginning (01-04-14) / end of the year (31-03-15) | % of total Shares of the Company | | | | No. of Shares | % of total Shares of the Company |
| 1 | Banwarilal Jatia | 6028 | 0.89 | 1.4.2014 | 0 | | 6028 | 0.89 |
| | | 6028 | 0.89 | 31.3.2015 | | | | |
| 2 | Smita Jatia | 6586 | 0.97 | 1.4.2014 | 0 | | 6586 | 0.97 |
| | | 6586 | 0.97 | 31.3.2015 | | | | |
| 3 | Smita Tambe | 0 | 0.00 | 1.4.2014 | | | | |
| | | | | 27.9.2014 | 1 | Transfer | 1 | 0.00 |
| 4 | Narendra Abhichandani | 1 | 0.00 | 31.3.2015 | | | | |
| | | 0 | 0.00 | 1.4.2014 | | | | |
| | | | | 27.9.2014 | 1 | Transfer | 1 | 0.00 |
| | | 1 | 0.00 | 31.3.2015 | | | | |

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | N.A. | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtedness during the financial year | | | | |
| . Addition | | | | |
| . Reduction | | | | |
| Net Change | | N.A. | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |

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

| Sl no. | Particulars of Remuneration | Name of MD | Total Amount | (₹ Lacs) |
|--------|--|-----------------------|--------------|----------|
| | | Shri Banwarilal Jatia | | |
| 1 | Gross salary | | 27.33 | 27.33 |
| | (a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961 | | - | - |
| | (b) Value of perquisites u/s 17(2) of Income - tax Act, 1961 | | - | - |
| | (c) Profits in lieu of Salary under section 17(3) of Income - tax Act, 1961 | | - | - |
| 2 | Stock Option | | - | - |
| 3 | Sweat Equity | | - | - |
| 4 | Commission | | - | - |
| | - as % of profit | | - | - |
| 5 | Others, | | 27.33 | 27.33 |
| | Total (A) | | 42.00 | 42.00 |
| | Ceiling as per the Act | | | |

B. Remuneration to other directors :

| Sl no. | Particulars of Remuneration | Name of Directors | | | Total Amount ₹ |
|--------|--|-------------------------------------|---------------------------|--|--------------------|
| | | Shri Tushar Gopalkrishna Agarwal | Shri Hasmukh Gandhi | Shri Narendrakumar Sardarsingh Karnavat | |
| 1. | Independent Directors | | | | |
| | Fee for attending board committee meetings | 0.14 | 0.14 | 0.08 | - |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (1) | 0.14 | 0.14 | 0.08 | 0.36 |
| 2. | Other Non-Executive Directors | | Shri Om Prakash Adukia | Shri Dharmendra Agarwal | Smt Smita Jatia |
| | Fee for attending board committee meetings | 0 | 0.16 | 0.04 | 0.02 |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (2) | 0 | 0.16 | 0.04 | 0.02 |
| | Total (B) = (1+2) | 0.14 | 0.30 | 0.12 | 0.02 |
| | Total Managerial Remuneration | | | | 27.91 |
| | Overall Ceiling as per the Act | | | | 42.58 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl no. | Particulars of Remuneration | Key Managerial Personnel | | | Total |
|--------|--|--------------------------|-------------------|------|-------|
| | | CEO | COMPANY SECRETARY | CFO | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961 | | 5.36 | 6.51 | 11.87 |
| | (b) Value of perquisites u/s 17(2) of Income - tax Act, 1961 | | - | 0.62 | 0.62 |
| | (c) Profits in lieu of Salary under section 17(3) of Income - tax Act, 1961 | | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission - as % of profit - others, specify.... | | | | |
| 5 | Others, please specify | | | | |
| | Total | | 5.36 | 7.13 | 12.49 |

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|---|------------------------------|-------------------|---|---------------------------------|------------------------------------|
| A. COMPANY Penalty Punishment Compounding | | | | | |
| B. DIRECTORS Penalty Punishment Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding | | | | | |

N.A.

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement with BSE Ltd.)

Company's Philosophy on Corporate Governance

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibilities to ensure that the Company follows best corporate governance practices.

Board of Directors

As on 31st March, 2015 the Company's Board comprises of seven directors including 5 members as non-executive directors.

The Company's Board had four independent non-executive directors as on March 31, 2015, unrelated to each other and not holding any shares in the Company. The Board met six times during the year.

The names and categories of the directors, the number of directorships and committee positions held by them in other companies, etc. are given below.

Attendance and other details of Directors

| Name | Category | No. of Board Meetings Attended | If present at last AGM | Total No. of Outside Directorships held | | *No. of other Committees in which Member/ Chairman | |
|--|---------------------------|--------------------------------|------------------------|---|---------|--|----------|
| | | | | Public | Private | Member | Chairman |
| Mr Banwari Lal Jatia (DIN:00016823) | Promoter Executive | 4 | No | 1 | 12 | 1 | 1 |
| Ms Smita Jatia (DIN:03165703) | Promoter Non-Executive | 1 | No | 1 | 3 | - | - |
| Mr Narendra S Karnavat (DIN:00027130) | Independent Non-Executive | 2 | No | - | 3 | 1 | - |
| Mr Hasmukh B Gandhi (DIN:00009153) | Independent Non-Executive | 5 | No | 2 | 2 | 1 | 1 |
| Mr Tushar G Agrawal (DIN:00043184) | Independent Non-Executive | 5 | No | 1 | 6 | 1 | - |
| Mr Om Prakash Adukia (DIN:00017001) | Non-Promoter | 6 | Yes | 3 | 4 | 5 | 2 |
| Mr Dharmendra Agarwal (DIN:06406889) | Independent Non-Executive | 2 | No | - | - | 1 | - |

*Committee Positions only of Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.

Code of Conduct

The Company has framed a Code of Conduct for members of the Board of Directors and its senior managerial personnel. 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.

Audit Committee

This Committee consists of four directors viz. Mr Hasmukh Gandhi (Chairman), Mr O P Adukia, Mr Narendra Karnavat, and Mr Tushar G Agarwal. All members possess strong accounting and financial management knowledge. The Company Secretary, Ms Smita Tambe acts as Secretary to the Committee.

The terms of reference of this Committee are wide and are in line with the regulatory requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Details of dates of meetings and attendance of the Audit Committee during the year:

| Name of the Committee Members | Date of meeting and attendance during the year | | | | |
|-------------------------------|--|-----------|----------|------------|-----------|
| | 30.5.2014 | 25.7.2014 | 2.9.2014 | 12.11.2014 | 13.2.2015 |
| Mr Hasmukh Gandhi | Yes | Yes | Yes | Yes | Yes |
| Mr Narendra S Karnavat | No | No | Yes | Yes | No |
| Mr Tushar Agarwal | Yes | Yes | Yes | Yes | Yes |
| Mr Om Prakash Adukia | Yes | Yes | Yes | Yes | Yes |

Nomination and Remuneration Committee

A Nomination and Remuneration Committee of the Board has been constituted consisting of Mr N S Karnavat (Chairman), Mr Hasmukh B Gandhi and Mr Tushar G Agarwal.

The terms of reference of this Committee are in accordance with provisions of the Companies Act, 2013.

The Committee met once during the year.

The remuneration policy framed by this Committee is annexed as Annexure III to the Board's Report. Particulars of remuneration to all the directors have been given in Annexure V to the Board's Report.

Stakeholders Relationship Committee

The Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr O P Adukia, Mr B L Jatia, Mr Hasmukh Gandhi and Mr Dharmendra Agarwal are other members of the Committee.

No investor complaints were received during the year. No complaints are pending.

Risk Management

The Board has constituted a Risk Management Committee consisting of Mr O P Adukia as Chairman and Mr N S Karnavat and Mr Dharmendra Agarwal as other members of the Committee.

The Committee is required to lay down the procedures to inform the Board about the risk assessment and minimisation procedures and the Board shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company.

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company.

Criteria for performance of Independent Directors and the Board

The Nomination and Remuneration Committee has laid down the evaluation criteria of performance of the independent directors. Some of the performance indicators based on which the evaluation was carried out are:

- Composition and expertise of the Board and its committees.
- Board's relationship with executive directors and independent directors.
- Participation in meetings and affairs of the Company.

Board Evaluation

The Board has carried out an annual evaluation of its own performance and that of its Committees.

Meeting of Independent Directors

The independent directors of the Company met in a separate meeting held on 13.2.2015 without the presence of non-independent directors and members of management to inter alia review performance of the non-independent directors and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

Subsidiary Companies

The Company does not have any subsidiary company.

CEO and CFO Certification

Mr B L Jatia, Managing Director and Mr Narendra Abhichandani, Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2015. The certificate is annexed as Annexure II to this Report.

Compliance Certificate

A certificate from Mr Shailesh Kachalia, a practicing Company Secretary regarding compliance with the conditions of Corporate Governance is annexed to this Report as Annexure III.

Annual General Meeting

Location, Date and Time of last 3 AGMs

| Sr. No. | Location | Date | Time | No. of Special Resolutions |
|---------|--------------------------------|--------------------|------------|----------------------------|
| 1 | Netivali Baug Kalyan – 421 306 | September 28, 2012 | 10.00 a.m | One |
| 2 | Netivali Baug Kalyan – 421 306 | October 7, 2013 | 11.00 a.m | Nil |
| 3 | Netivali Baug Kalyan – 421 306 | September 30, 2014 | 11.00 a.m. | Three |

Aspecial resolution was passed through postal ballot during the year under review. No special resolution is being proposed to be passed through postal ballot.

Disclosures

- a) Most of the related party transactions have been entered into in the ordinary course of business. The audit committee has given its approval to related party transactions of the Company made during the year by an unanimous omnibus resolution.
No materially significant related party transactions that might have potential conflict with the interests of the Company at large took place during the year.
- b) All applicable Accounting Standards mandatorily required have been followed in preparation of the financial statements.
- c) The Company has made disclosures in compliance with the Accounting Standard 18 on "Related Party Transactions" in Note No 24.7 of the Financial Statements which form a part of this Annual Report.
- d) There was no money raised through public issue or rights issue etc.
- e) The Company has a Managing Director whose appointment and remuneration have been fixed by the Board in terms of a special resolution passed by the members in general meeting. The other directors did not receive any remuneration from the Company during the year, except sitting fees for attending meetings of the Board and its Committees.
Particulars of the remuneration paid appear in Annexure V (vi) forming part of the Directors' Report.
- f) There were no financial/commercial transactions by senior management personnel where they have personal interest that may have a potential conflict with interests of the Company requiring disclosures by them to the Board.
- g) No penalties or strictures have been imposed on or passed against the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets.
- h) The Company has established a whistle blower policy and no personnel have been denied access to the Audit Committee.
- i) Relevant details of directors proposed to be appointed are furnished in the Notice of the 69th Annual General Meeting being sent along with the Annual Report.

Communication

The Company's quarterly financial results are submitted to the BSE Ltd within the prescribed time-period in a form so as to enable the Exchange to put the same on its own website. The quarterly results are also published in Free Press Journal (English) and Navshakti (Marathi) newspapers.

General Shareholder Information

(i) Annual General Meeting to be held :

Date : 30th September, 2015
 Time : 11.00 a.m.
 Venue : Netivali Baug, Kalyan (East)421 306

(ii) Financial Year : 1st April 2014 – 31st March, 2015

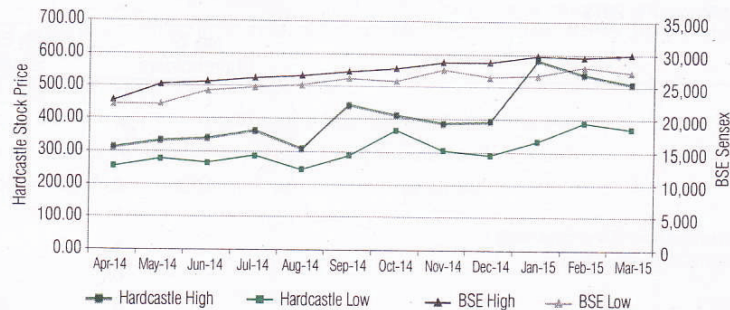
(iii) Date of Book Closure : 29th September, 2015 to 30th September, 2015 (both days inclusive)

(iv) Dividend Payment Date : No dividend is being recommended,

(v) The Company's shares are listed on the Bombay Stock Exchange (Stock/Script Code: 509597)

(vi) Stock Performance

Performance of the Company's Shares relative to BSE Sensitive Index is given in the Chart below:



(vii) Monthly Market Price Data:

Monthly highest and lowest closing quotations of the Company's equity share on the Bombay Stock Exchange during the financial year 2014-15 are tabulated below. Comparative figures of the month-end closing prices of the Company's share and the BSE Sensex are also tabulated alongside.

| Month | Rupees per share | | | Sensex High | Sensex Low |
|-----------------|------------------|--------|-------------------|-------------|------------|
| | High | Low | Month-end closing | | |
| April, 2014 | 308.50 | 249.30 | 300.10 | 22939.31 | 22197.51 |
| May, 2014 | 329.40 | 273.65 | 273.65 | 25375.63 | 22277.04 |
| June, 2014 | 336.25 | 261.00 | 325.85 | 25725.12 | 24270.20 |
| July, 2014 | 359.50 | 284.00 | 303.00 | 26300.17 | 24892.00 |
| August, 2014 | 304.00 | 240.00 | 300.00 | 26674.38 | 25232.82 |
| September, 2014 | 440.00 | 285.00 | 343.35 | 27354.99 | 26220.49 |
| October, 2014 | 408.80 | 285.00 | 360.50 | 27894.32 | 25910.77 |
| November, 2014 | 383.90 | 299.80 | 337.05 | 28822.37 | 27739.56 |
| December, 2014 | 391.90 | 287.00 | 359.75 | 28809.64 | 26469.42 |
| January, 2015 | 579.00 | 330.30 | 447.50 | 29844.16 | 26776.12 |
| February, 2015 | 535.00 | 386.00 | 433.60 | 29560.32 | 28044.49 |
| March, 2015 | 504.00 | 366.50 | 413.00 | 30024.74 | 27248.45 |

(viii) Registrars & Transfer Agent (RTA):

Sharepro Services (India) Pvt. Ltd
 13 AB, Samhita Warehousing Complex,
 2nd Floor, Near Sakinaka Telephone Exchange
 Andheri-Kurla Road
 Sakinaka, Andheri (E)
 Mumbai 400 072

(ix) Share Transfer System:

As on 31st March, 2015, a major part of the Company's equity shares was held in demat form. The transfer work is handled by the Company's RTA.

(x) Shareholding Pattern as on 31st March, 2015:

| | No. of Holders | No. of Shares held | Percentage of holding |
|---------------------------------|----------------|--------------------|-----------------------|
| Promoter Group : | | | |
| Individuals/ HUF | 9 | 42,942 | 6.32 |
| Bodies Corporate | 10 | 4,56,241 | 67.15 |
| Non-Promoters : | | | |
| Individuals/ HUF | 1263 | 99,622 | 14.66 |
| Bodies Corporate | 54 | 75,595 | 11.13 |
| Foreign Institutional Investors | 1 | 3,318 | 0.49 |
| NRI-Foreign Individuals | 8 | 1,196 | 0.17 |
| Mutual Funds | 2 | 560 | 0.08 |
| | <u>1347</u> | <u>6,79,474</u> | <u>100</u> |

Distribution of shareholding as at March 31, 2015:

| Shareholding | No. of Shareholders | No. of Equity Shares | Shareholding Percentage |
|---------------|---------------------|----------------------|-------------------------|
| 1-500 | 1293 | 69,288 | 10.197 |
| 501 to 1000 | 28 | 20,734 | 3.052 |
| 1001 to 2000 | 6 | 9,135 | 1.344 |
| 2001 to 3000 | 4 | 9,965 | 1.467 |
| 3001 to 4000 | 1 | 3,318 | 0.488 |
| 4001 to 5000 | 1 | 5,000 | 0.736 |
| 5001 to 10000 | 6 | 44,093 | 6.489 |
| 10001 & above | 8 | 5,17,941 | 76.227 |
| | <u>1347</u> | <u>6,79,474</u> | <u>100</u> |

(xi) Dematerialisation of shares:

As on 31st March, 2015, 646,736 shares comprising 95.18% of the Company's paid-up capital were held in dematerialized form under INE 722D01015.

(xii) The Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

(xiii) Plant Location:

The Company is a trading and manufacturing company. The manufacturing facility is located at GIDC, Sarigam (Valsad District) in Gujarat.

(xiv) Addresses for correspondence:

Shareholders' correspondence may be addressed to the RTA at the following address:

Sharepro Services (India) Pvt. Ltd
13 AB, Samhita Warehousing Complex,
2nd Floor, Near Sakinaka Telephone Exchange
Andheri-Kurla Road
Sakinaka, Andheri (E)
Mumbai 400 072

ANNEXURE - I

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE WITH CODE OF CONDUCT

In accordance with Clause 49 II E 2 of the Listing Agreement with the Stock Exchange, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2015.

For Hardcastle and Waud Mfg. Co. Limited

Managing Director

Mumbai, 10th August, 2015

ANNEXURE – II
CEO and CFO Certificate

To,
The Board of Directors
Hardcastle & Waud Mfg Co.Ltd
Kalyan

1. We have reviewed the financial statements and the cash flow statement of Hardcastle & Waud Mfg Co. Ltd for the year ended 31st March, 2015 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that:
 - (i) there are no significant changes in internal controls over financial reporting during the year;
 - (ii) there are no significant changes in accounting policies during the year; and
 - (iii) there are no instances of significant fraud of which we have become aware.

(Narendra Abhichandani)
Chief Financial Officer

(B L Jatia)
Managing Director

Mumbai
10th August, 2015

ANNEXURE III
COMPLIANCE CERTIFICATE:

To
The Members
Hardcastle & Waud Mfg Co. Ltd.
Kalyan

I have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Bombay Stock Exchange for the financial year ended March 31, 2015.

Compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to the procedures adopted by the Company for ensuring the 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 the relevant records and documents maintained by the Company and furnished to me for the review and the information and explanations given to me by the Company.

Based on such review, and to the best of my information and according to the explanations given to me, in my opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreement.

Place : Mumbai
Date : 10th August, 2015

Shailesh A Kachalia
CP 3888
Company Secretary

Independent Auditor's Report

**To the Members of
HARDCASTLE AND WAUD MANUFACTURING COMPANY LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Hardcastle And Waud Manufacturing Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We have 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31st March 2015, its profit 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and 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 it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the applicable 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 March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act ;
 - (f) In our opinion and to the 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 does not have any pending litigations which would impact its financial position ;
 - ii. The Company does 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.

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

CA Atul Jain
Partner
M. No. 037097

Place: Mumbai
Date: 13th May, 2015

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT
Ref.: HARDCASTLE AND WAUD MANUFACTURING COMPANY LIMITED

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 (b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- ii. (a) The management has conducted physical verification of inventories at reasonable intervals.
 (b) The procedures followed by the management for physical verification of inventories are, in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.
 (c) The company is maintaining proper records of inventories and no discrepancies were noticed on verification between the inventories and the book records.
- iii. The Company has not granted loans, secured or unsecured to firms, companies or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and hence the provisions of clause (iii) (a) and (b) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and goods and sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed in the internal controls.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities of the Company.
- vii. a) According to the information and explanation given to us and on the basis of our examination of records of the Company amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited with the appropriate authorities.
 According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
 b) Details of dues of Sales tax and Excise Duty which have not been deposited as on 31st March, 2015 on account of disputes are given below.

| Nature of Dues | Forum where dispute is pending | Period to which the Amount relates | Amount Involved (in ₹) |
|----------------|--|------------------------------------|------------------------|
| Central Excise | Commissioner of Central Excise (Appeals), Mumbai | 1997-1998 | 9,58,855 |
| Sales Tax | Deputy Comm. of ST (Appeals-I), Mumbai | 2000-2001 | 2,67,492 |
| Sales Tax | Sales Tax Officer, Mumbai | 2004-2005 | 3,30,744 |
| Sales Tax | Deputy Comm. of ST (Appeals-I), Chennai | 2002-2011 | 3,93,095 |
| Total | | | 19,50,186 |

- c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund.
- viii. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- ix. The Company has not taken any loan or issued debentures.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for the loans taken by others from banks or financial institutions during the period covered by audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has not taken any term loan.
- xii. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of our audit.

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

CA Atul Jain
 Partner
 M. No: 037097

Place: Mumbai
 Date: 13th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

| Particulars | Note | As at 31st March, 2015 ₹ | As at 31st March, 2014 ₹ |
|---|--------------|--------------------------------|--------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 6,794,740 | 6,794,740 |
| Reserves & Surplus | 3 | 448,806,637 | 436,551,738 |
| | | 455,601,377 | 443,346,478 |
| Non-Current Liabilities | | | |
| Other Long-Term Liabilities | 4 | 11,274 | - |
| Long-Term Provisions | 5 | - | 112,856 |
| | | 11,274 | 112,856 |
| Current Liabilities | | | |
| Trade Payables | 6 | 1,132,806 | 3,214,732 |
| Other Current Liabilities | 7 | 22,576,746 | 24,208,756 |
| Short-Term Provisions | 8 | 275,795 | 224,341 |
| | | 23,985,347 | 27,647,829 |
| | Total | 479,597,998 | 471,107,163 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | 9 | | |
| Tangible Assets | | 74,243,531 | 68,727,214 |
| Intangible Assets | | 200,000 | 200,000 |
| Capital Work-In Progress | | - | 6,265,187 |
| Non-Current Investments | 10 | 60,318,712 | 66,267,050 |
| Deferred Tax Assets (Net) | 11 | 99,330,000 | 97,053,000 |
| Long-Term Loans and Advances | 12 | 40,942,601 | 41,150,131 |
| | | 275,034,844 | 279,662,582 |
| Current Assets | | | |
| Current Investments | 13 | 185,199,546 | 3,599,181 |
| Inventories | 14 | 75,516 | 34,620 |
| Trade Receivables | 15 | 4,263,659 | 174,714,975 |
| Cash and Cash Equivalents | 16 | 6,112,388 | 4,649,291 |
| Short-Term Loans and Advances | 17 | 8,912,045 | 8,446,514 |
| | | 204,563,154 | 191,444,581 |
| | Total | 479,597,998 | 471,107,163 |
| Significant Accounting Policies See accompanying Notes to the Financial Statements | 1 & 24 | | |

As per our report of date attached
For **GMJ & CO**
Chartered Accountants

Atul Jain
Partner
M. No. 037097

Place: Mumbai
Date : 13th May, 2015

For and on behalf of the Board

Smita Tambe
Company Secretary

Narendra Abhichandani
Chief Financial Officer

Place: Mumbai
Date : 13th May, 2015

Banwari Lal Jatia
Managing Director
DIN : 00016823

Om Prakash Adukia
Director
DIN : 00017001

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | Note | 2014 - 2015 ₹ | 2013 - 2014 ₹ |
|---|--------|--------------------|--------------------|
| INCOME | | | |
| Revenue from Operations | 18 | 36,586,342 | 31,447,275 |
| Other Income | 19 | 21,906,345 | 9,498,122 |
| Total Revenue | | 58,492,687 | 40,945,397 |
| EXPENDITURE | | | |
| Purchase of Stock-in-Trade | | 19,520,352 | 21,529,402 |
| Change in Inventories of Finished Goods and Stock-in Trade | 20 | (53,594) | 13,033 |
| Employee Benefits Expense | 21 | 6,048,082 | 5,116,228 |
| Finance Costs | 22 | 2,368 | 354,633 |
| Depreciation, Amortisation & Impairment Expense | 9 | 3,224,713 | 2,804,661 |
| Other Expenses | 23 | 19,677,222 | 15,715,957 |
| Total Expenses | | 48,419,143 | 45,533,914 |
| Profit/(Loss) before Prior Year Adjustments | | 10,073,544 | (4,588,517) |
| Add : Prior Year Adjustments (Net) | | 1,169,502 | 25,436 |
| Profit/(Loss) Before Tax | | 11,243,046 | (4,563,081) |
| Tax Expenses | | | |
| Current Tax (including Wealth Tax) | | 14,000 | - |
| Deferred Tax | | (2,277,000) | (2,831,000) |
| Provision for Earlier Years | | 707,100 | 334,680 |
| MAT Credit Entitlement Utilised | | (231,068) | - |
| | | (1,786,968) | (2,496,320) |
| Net Profit/(Loss) After Tax | | 13,030,014 | (2,066,761) |
| Earnings per equity share of face value of ₹ 10 each | | | |
| Basic and Diluted | 24.6 | 19.18 | (3.04) |
| Significant Accounting Policies See accompanying Notes to the Financial Statements | 1 & 24 | | |

As per our report of date attached
For **GMJ & CO**
Chartered Accountants

Atul Jain
Partner
M. No. 037097

Place: Mumbai
Date : 13th May, 2015

For and on behalf of the Board

Smita Tambe
Company Secretary

Narendra Abhichandani
Chief Financial Officer

Place: Mumbai
Date : 13th May, 2015

Banwari Lal Jatia
Managing Director
DIN : 00016823

Om Prakash Adukia
Director
DIN : 00017001

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| Particulars | 2014-15 ₹ | 2013-14 ₹ |
|---|----------------------|---------------------|
| Cash flow from operating activities | | |
| Net profit/(loss) before tax | 10,073,544 | (4,588,517) |
| Adjustments for: | | |
| Prior period Items | 1,169,502 | 25,436 |
| Provision for Ascertained Liabilities (Net) | (112,856) | (10,871) |
| Provision for diminution in value of investments | (9,494,625) | - |
| Provision For Impairment of Fixed Assets Written back | (255,484) | - |
| Provision for Doubtful Debts Written Back | (404,265) | - |
| Provision for Leave Encashment | 51,454 | 5,351 |
| Bad Debts & Advances Written Off | 404,265 | 9,305 |
| (Profit)/Loss on Sale of Investments | 3,832,111 | 34,351 |
| (Profit)/Loss on Sale of fixed assets | (30,689) | 28,300 |
| Depreciation & Amortisation | 3,224,713 | 2,804,661 |
| Interest/Dividend (Net) | (1,955,639) | 9,927 |
| Operating profit/(loss) before working capital changes | 6,502,031 | (1,682,057) |
| Increase/(decrease) in long-term liabilities | 11,274 | (64,100) |
| Increase/(decrease) in trade payable | (2,081,926) | 1,003,530 |
| Increase/(decrease) in other current liabilities | (1,632,010) | (161,522) |
| Decrease/(increase) in long-term loans and advances | 811,810 | (27,624,971) |
| Decrease/(increase) in Trade Receivable | 170,451,318 | 8,771,931 |
| Decrease/(increase) in Inventories | (40,896) | (21,587) |
| Decrease/(increase) in short-term loans and advances | (465,532) | (1,379,156) |
| Cash generated from/(used in) operations | 173,556,069 | (21,157,932) |
| Direct taxes paid (net) | (1,094,312) | (1,150,171) |
| Net cash flow from/(used in) operating activities - (A) | 172,461,757 | (22,308,103) |
| Cash flows from investing activities | | |
| Purchase of fixed assets | (2,993,525) | (5,584,271) |
| Sale of fixed assets | 28,739 | 6,334 |
| Purchase of Current Investments | (172,105,740) | (59,098,675) |
| Sale/(Purchase) of Investments | 2,116,227 | 65,690,649 |
| Dividend Received | 908,985 | 306,615 |
| Interest received | 1,049,022 | 38,092 |
| Net cash used in investing activities - (B) | (170,996,292) | 1,358,743 |
| Cash flow from financing activities | | |
| Borrowings | - | 880,000 |
| Interest Paid | (2,368) | (354,633) |
| Net cash from financing activities - (C) | (2,368) | 525,367 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 1,463,097 | (20,423,993) |
| Cash and cash equivalents at the beginning of the year | 4,649,291 | 25,073,284 |
| Cash and cash equivalents at the end of the year | 6,112,388 | 4,649,291 |
| Components of cash and cash equivalents | | |
| Cash on hand | 32,778 | 38,914 |
| Balances with scheduled banks: | | |
| - In current accounts | 6,079,610 | 4,610,377 |
| Cash and Bank balances | 6,112,388 | 4,649,291 |

Note :

- All figures in bracket are outflows.
- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- The total of cash and cash equivalents is as per balance sheet.
- The cash flow statement has been prepared under indirect method as per Accounting Standard -3 " Cash Flow Statement " issued by the Institute of Chartered Accountants of India.

As per our report of date attached
For **GMJ & CO**
Chartered Accountants

Atul Jain
Partner
M. No. 037097

Place: Mumbai
Date : 13th May, 2015

For and on behalf of the Board

Smita Tambe
Company Secretary

Narendra Abhichandani
Chief Financial Officer

Place: Mumbai
Date : 13th May, 2015

Banwari Lal Jatia
Managing Director
DIN : 00016823

Om Prakash Adukia
Director
DIN : 00017001

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES :

1.1 Basis of accounting and preparation of financial statements

The financial statements are prepared to comply in all material aspects under the Historical Cost convention and in accordance with generally accepted accounting principles in India and the mandatory Accounting Standards prescribed under Section 133 of the Companies Act 2013 ('Act') read with Rule- 7 of the Companies (Accounts) Rules, 2014 and provisions of the Act (to the extent notified).

1.2 Use of Estimates

Preparation of financial statements requires estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although such estimates and assumptions are made on reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognised in the period in which results get crystallised.

1.3 Fixed Assets

Fixed Assets are stated at cost except Trade Marks which are valued based on valuation carried out by an independent agency.

1.4 Depreciation and Amortization

Depreciation on fixed assets is provided on straight line method according to the useful life mentioned in Schedule II Part C to the Companies Act, 2013. Leasehold assets are amortised over the respective residual lease period.

1.5 Borrowing costs

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

1.6 Impairment of Assets

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

1.7 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 cost on estimate.

1.8 Investments

Long term investments are valued at cost. Provision for other than temporary diminution in value of such investments is made, if necessary. Current investments are stated at cost or market value, whichever is lower.

1.9 Foreign Currency Transactions

Income and expenses in foreign currencies are converted at exchange rates prevailing on the date of the 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 Lease

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss.

1.11 Revenue Recognition

Accounts are maintained on accrual basis. Revenue recognition is postponed to a later year when it is not possible to estimate it with reasonable accuracy. Deferred revenue expenditure is written off over six years. Dividends from investments are recognized when the company's right to receive payment is established.

1.12 Employee Benefits

Short-term employee benefits (compensated absences) are recognized as expense at the undiscounted amount in the year in which the related service is rendered based on actuarial valuation made at end of the year. Post employment employee benefits are recognized as expense in the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques at the end of the year. Actuarial gains and losses in respect of post employment benefits are charged to the Statement of Profit and Loss.

1.13 Taxation

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

1.14 Cash and Cash Equivalents

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand.

1.15 Segment Reporting

Identification of Segments: Segments are identified and reported taking into account the nature of products and services, the differing risks and returns, the organizational structure and the internal financial reporting system. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of common costs: Common allocable costs are allocated to each segment according to the turnover of the respective segments.

Unallocated costs: The unallocated segment includes general corporate income and expense items which are not allocated to any business segment.

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

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
1.16 Earnings per share

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

| | As at 31st March, 2015 | | As at 31st March, 2014 | |
|---|------------------------|------------|------------------------|------------|
| | No. of shares | ₹ | No. of shares | ₹ |
| 2 SHARE CAPITAL | | | | |
| Authorised: | | | | |
| Equity Shares of ₹ 10 each | 5,000,000 | 50,000,000 | 5,000,000 | 50,000,000 |
| Issued, Subscribed and Paid Up: | | | | |
| Equity Shares of ₹ 10 each, fully paid up | 679,474 | 6,794,740 | 679,474 | 6,794,740 |
| 2.1 Reconciliation of number of Equity Shares outstanding: | | | | |
| Equity Shares at beginning of the year | 679,474 | 6,794,740 | 679,474 | 6,794,740 |
| Issued during the year | - | - | - | - |
| Equity Shares at end of the year | 679,474 | 6,794,740 | 679,474 | 6,794,740 |
| 2.2 Details of Shareholders holding more than 5% shares : | | | | |
| | As at 31st March, 2015 | | As at 31st March, 2014 | |
| Name of Shareholder | No. of shares | % held | No. of Shares | % held |
| Winmore Leasing & Holdings Ltd | 298,946 | 44.00% | 298,946 | 44.00% |
| Shri Ambika Trading Co. Pvt. Ltd | 78,705 | 11.58% | 78,705 | 11.58% |
| Saubhagya Impex Pvt. Ltd | 50,051 | 7.37% | 50,051 | 7.37% |
| India Discovery Fund Ltd | 3,318 | 0.48% | 52,291 | 7.70% |

2.3 Terms/Rights attached to equity shares:

- a) 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. Dividend proposed by the Board of Directors is subject to approval of the shareholders.
- b) 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.

| | As at 31st March, 2015 | As at 31st March, 2014 |
|---|------------------------|------------------------|
| | ₹ | ₹ |
| 3 RESERVES AND SURPLUS | | |
| Share Premium Account | | |
| As per last Balance Sheet | 78,852,831 | 78,852,831 |
| General Reserve | | |
| As per last Balance Sheet | 52,781,476 | 52,781,476 |
| Less : Carrying value of assets (whose "useful life" is over) written off | (775,115) | - |
| Add : Transferred from Surplus Provision for Doubtful Debts | 937,126 | - |
| Add : Transferred from Surplus in Profit And Loss Account | 316,800,000 | - |
| | 369,743,487 | 52,781,476 |
| Revaluation Reserve | | |
| As per last Balance Sheet | 200,000 | 200,000 |
| Surplus Provision for Doubtful Debts | | |
| As per last Balance Sheet | 937,126 | 937,126 |
| Less : Transferred to General Reserve | (937,126) | - |
| | - | 937,126 |
| Surplus as per Statement of Profit And Loss | | |
| As per last Balance Sheet | 303,780,305 | 305,847,066 |
| Add : Profit/(Loss) for the year | 13,030,014 | (2,066,761) |
| | 316,810,319 | 303,780,305 |
| Less : Transferred to General Reserve | 316,800,000 | - |
| | 10,319 | 303,780,305 |
| | 448,806,637 | 436,551,738 |
| 4 OTHER LONG TERM LIABILITIES | | |
| Other Payables | 11,274 | - |
| | 11,274 | - |
| 5 LONG-TERM PROVISIONS | | |
| Provision for Ascertained Liabilities | - | 112,856 |
| | - | 112,856 |
| 6 TRADE PAYABLES | | |
| Sundry Creditors | 1,132,806 | 3,214,732 |
| | 1,132,806 | 3,214,732 |

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

| | | As at 31st March, 2015 | | As at 31st March, 2014 | | | | | | | |
|----------|---|------------------------|-------------------|--------------------------|-----------------------------|-------------------|------------------|--------------------------|-------------------|-------------------|-------------------|
| | | ₹ | | ₹ | | | | | | | |
| 7 | OTHER CURRENT LIABILITIES | | | | | | | | | | |
| | Security Deposits (Unsecured) | | 22,000,000 | | 22,000,000 | | | | | | |
| | Other Payables (includes statutory dues payable & others) | | 576,746 | | 2,208,756 | | | | | | |
| | | | 22,576,746 | | 24,208,756 | | | | | | |
| 8 | SHORT-TERM PROVISIONS | | | | | | | | | | |
| | Provision for Leave Encashment | | 275,795 | | 224,341 | | | | | | |
| | | | 275,795 | | 224,341 | | | | | | |
| 9 | FIXED ASSETS | (Amount in ₹) | | | | | | | | | |
| | | GROSS BLOCK | | | DEPRECIATION / AMORTISATION | | NET BLOCK | | | | |
| | PARTICULARS | As at 01.04.2014 | Additions | Deductions / Adjustments | As at 31.03.2015 | As at 01.04.2014 | For the year | Deductions / Adjustments | Upto 31.03.2015 | As at 31.03.2015 | As at 31.03.2014 |
| | TANGIBLE ASSETS : | | | | | | | | | | |
| | OWN ASSETS : | | | | | | | | | | |
| | Lease - hold Land | 1,135,690 | - | - | 1,135,690 | 125,669 | 14,496 | - | 140,165 | 995,525 | 1,010,021 |
| | Buildings | 12,283,139 | - | - | 12,283,139 | 3,637,488 | 358,576 | - | 3,996,064 | 8,287,075 | 8,645,651 |
| | Plant & Machinery | 8,981,985 | 6,546,978 | - | 15,528,963 | 7,526,118 | 530,550 | 255,484 | 7,801,184 | 7,727,778 | 1,455,867 |
| | Electrical Installation | 2,596,128 | 97,044 | - | 2,693,172 | 1,282,900 | 560,474 | (857) | 1,844,231 | 848,941 | 1,313,228 |
| | Water Equipments | 39,030 | - | - | 39,030 | 16,012 | - | - | 16,012 | 23,018 | 23,018 |
| | Laboratory Equipments | 460,451 | - | - | 460,451 | 455,451 | 823 | - | 456,274 | 4,177 | 5,000 |
| | Furniture & Fixtures | 8,226,555 | 14,000 | - | 8,240,555 | 5,972,512 | 438,075 | (29,247) | 6,439,834 | 1,800,721 | 2,254,043 |
| | Office Equipments | 3,153,798 | - | 117,641 | 3,036,157 | 2,050,389 | 70,360 | (625,420) | 2,746,169 | 289,988 | 1,103,409 |
| | Office Computers | 6,874,596 | - | - | 6,874,596 | 6,545,259 | - | - | 6,545,259 | 329,337 | 329,337 |
| | Motor Vehicles | 2,242,472 | 2,600,690 | - | 4,843,162 | 1,611,307 | 187,486 | - | 1,798,793 | 3,044,369 | 631,165 |
| | Sub-Total | 45,993,844 | 9,258,712 | 117,641 | 55,134,915 | 29,223,105 | 2,160,840 | (400,040) | 31,783,985 | 23,350,929 | 16,770,739 |
| | ASSETS GIVEN ON LEASE : | | | | | | | | | | |
| | Buildings | 54,771,210 | - | - | 54,771,210 | 3,806,573 | 865,047 | - | 4,671,620 | 50,099,590 | 50,964,637 |
| | Motor Vehicles | 4,029,281 | - | - | 4,029,281 | 3,037,443 | 198,826 | - | 3,236,269 | 793,012 | 991,838 |
| | Sub-Total | 58,800,491 | - | - | 58,800,491 | 6,844,016 | 1,063,873 | - | 7,907,889 | 50,892,602 | 51,956,475 |
| | Total (A) | 104,794,335 | 9,258,712 | 117,641 | 113,935,406 | 36,067,121 | 3,224,713 | (400,040) | 39,691,874 | 74,243,531 | 68,727,214 |
| | INTANGIBLE ASSETS : | | | | | | | | | | |
| | Trade Marks | 4,000,000 | - | - | 4,000,000 | 3,800,000 | - | - | 3,800,000 | 200,000 | 200,000 |
| | Total (B) | 4,000,000 | - | - | 4,000,000 | 3,800,000 | - | - | 3,800,000 | 200,000 | 200,000 |
| | Total (A + B) | 108,794,335 | 9,258,712 | 117,641 | 117,935,406 | 39,867,121 | 3,224,713 | (400,040) | 43,491,874 | 74,443,531 | 68,927,214 |
| | Previous Year ₹ | 108,249,064 | 633,571 | 88,300 | 108,794,335 | 37,116,127 | 2,804,661 | 53,667 | 39,867,121 | 68,927,214 | |

9.1 Buildings include ₹ 750 being value of fully paid shares in Co-operative Housing Societies.

9.2 Trade marks (original cost NIL) were valued at ₹ 1350 lacs by an independent chartered accountants firm on 30.04.2001 and are shown net of ₹ 1310 lacs since sold.

9.3 Deductions/Adjustments of Depreciation include ₹ 7,75,115 transferred to General Reserve representing the carrying value of assets whose "useful life" is already over as under :
(Electrical Installation ₹ 857, Office Equipments ₹ 7,45,011 and Furniture & Fixtures ₹ 29,247).

| | | As at 31st March, 2015 | | As at 31st March, 2014 | |
|-----------|--|------------------------|-------------------|------------------------|-------------------|
| | | ₹ | | ₹ | |
| 10 | NON-CURRENT INVESTMENTS | | | | |
| | Long Term Investments (At Cost) : | | | | |
| | Investment in Properties | | | | |
| | Commercial Premises | | 19,799,493 | | 19,799,493 |
| | In Equity Shares - Unquoted, fully paid up | | | | |
| | 4,38,948 (Previous Year 10,69,448) of Hawcoplast Investments & Trading Limited of ₹ 10 each | | 5,038,944 | | 11,362,857 |
| | 4,73,500 (Previous Year 99,000) of Global Trendz Private Limited of ₹ 100 each | | 9,586,223 | | 18,705,273 |
| | 150 (Previous Year 150) of Deve Paints Limited of ₹ 10 each | | 2,400 | | 2,400 |
| | 100 (Previous Year 100) of Bakelite Hylem Limited of ₹ 10 each | | 2,800 | | 2,800 |
| | 150 (Previous Year 150) of Swastik Rubber Products Limited of ₹ 10 each | | 500 | | 500 |
| | | | 14,630,867 | | 30,073,830 |
| | In 8% Non-cumulative Preference Shares of Associate Company - Unquoted, fully paid up | | | | |
| | 35,00,000 (Previous Year 35,00,000) of Anand Veena Twisters Private Limited of ₹ 10 each | | 35,000,000 | | 35,000,000 |
| | | | 69,430,360 | | 84,873,323 |
| | Aggregate amount of unquoted investments - Cost | | 69,430,360 | | 84,873,323 |
| | Less : Provision for diminution in value of investments | | 9,111,648 | | 18,606,273 |
| | | | 60,318,712 | | 66,267,050 |

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

| | As at 31st March, 2015 | As at 31st March, 2014 |
|---|---------------------------|---------------------------|
| | ₹ | ₹ |
| 11 DEFERRED TAX ASSETS (NET) | | |
| Deferred Tax Assets | | |
| Disallowances under the Income Tax Act, 1961 | 108,290,000 | 105,438,000 |
| Deferred Tax Liabilities | | |
| Related to Fixed Assets | 8,960,000 | 8,385,000 |
| | 99,330,000 | 97,053,000 |
| 12 LONG-TERM LOANS AND ADVANCES | | |
| (Unsecured, Considered Good unless otherwise stated) | | |
| Prepaid Expenses | 5,752 | 5,752 |
| Capital Advances | 38,197,808 | 38,247,808 |
| Security Deposits | 1,231,519 | 1,210,349 |
| Others (includes receivables from Govt. Authorities & Others) | 1,617,522 | 1,796,222 |
| Less : Provision for doubtful advances | (110,000) | (110,000) |
| | 40,942,601 | 41,150,131 |
| 13 CURRENT INVESTMENTS | | |
| In Redeemable Preference Shares - Unquoted of ₹ 10 each, fully paid up 10,88,125 (Previous Year Nil) of Winmore Leasing & Holdings Limited | 174,535,250 | - |
| In Equity Shares - Unquoted, of Regular 10 each, fully paid up 1,80,300 (Previous Year Nil) of Houghton Hardcastle (India) Ltd | 10,664,296 | - |
| In Mutual Fund units of Regular 10 each - Quoted, fully paid up (At Cost or Market Value being Net Asset Value, whichever is lower) | - | 3,599,181 |
| Nil (Previous Year 1,42,311) of HDFC Liquid Fund - Direct Plan - Growth Option | - | 3,599,181 |
| | 185,199,546 | 3,599,181 |
| 14 INVENTORIES | | |
| Stores & Spare Parts | 21,922 | 34,620 |
| Stock-in-Trade | 53,594 | - |
| | 75,516 | 34,620 |
| 15 TRADE RECEIVABLES | | |
| Unsecured (see Note 24.12) | | |
| Outstanding for a period exceeding six months from due date | | |
| Considered Good | - | 170,000,000 |
| Considered Doubtful | - | 404,265 |
| | - | 170,404,265 |
| Other Debts | | |
| Considered Good | 4,263,659 | 4,714,975 |
| Considered Doubtful | - | - |
| | 4,263,659 | 4,714,975 |
| Total Trade Receivables | 4,263,659 | 175,119,240 |
| Less : Provision for Doubtful Debts | - | (404,265) |
| | 4,263,659 | 174,714,975 |
| 16 CASH AND CASH EQUIVALENTS | | |
| Cash on Hand | 32,778 | 38,914 |
| On Accounts with Banks | 4,954,957 | 4,545,971 |
| Cheques on Hand | 1,124,653 | 64,406 |
| | 6,112,388 | 4,649,291 |
| 17 SHORT TERM LOANS AND ADVANCES | | |
| (Unsecured, Considered Good) | | |
| Prepaid Expenses | 172,261 | 128,033 |
| Loans & Advances to Employees | 145,000 | 399,446 |
| Advance Income Tax (Net of provision for taxation) | 2,454,332 | 2,081,120 |
| MAT Credit Entitlement | 4,980,080 | 4,749,012 |
| Receivables from Government Authorities | 818,341 | 700,902 |
| Others | 342,031 | 388,001 |
| | 8,912,045 | 8,446,514 |

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

| | For the Year 2014-15 ₹ | For the Year 2013-14 ₹ |
|---|------------------------------|------------------------------|
| 18 REVENUE FROM OPERATIONS | | |
| Sale of Products & Services | | |
| Metal Working and Maintenance Products | 27,884,450 | 31,447,275 |
| Job Charges Income | 8,701,892 | - |
| | 36,586,342 | 31,447,275 |
| 19 OTHER INCOME | | |
| Interest Income | 1,049,022 | 38,092 |
| Dividend Income from Current Investments (Non-Trade) | 908,985 | 306,615 |
| Provisions, no longer required, written back for- | | |
| Ascertained Liabilities | 112,856 | 10,871 |
| Diminution in Value of Investments | 9,494,625 | 18,167 |
| Impairment of Fixed Assets | 255,484 | - |
| Doubtful Debts | 404,265 | - |
| | 10,267,230 | 29,038 |
| Other Non-Operating Income | | |
| Profit/(Loss) on Sale/Discard of Fixed Assets | 30,689 | (28,300) |
| Rent Received | 9,648,000 | 8,381,000 |
| Sundry Income | 2,419 | 771,677 |
| | 9,681,108 | 9,124,377 |
| | 21,906,345 | 9,498,122 |
| 20 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK-IN-TRADE | | |
| Inventories at Close | | |
| Finished Goods | - | - |
| Stock-in-Trade | 53,594 | - |
| | 53,594 | - |
| Inventories at Commencement | | |
| Finished Goods | - | 13,033 |
| Stock-in-Trade | - | - |
| | - | 13,033 |
| | (53,594) | 13,033 |
| 21 EMPLOYEE BENEFITS EXPENSE | | |
| Salaries, Wages, Bonus, & Allowances | 5,465,693 | 4,656,982 |
| Contribution to Provident & Other Funds | 466,437 | 410,289 |
| Contribution to Gratuity Fund | 49,486 | - |
| Employee Welfare Expenses | 66,466 | 48,957 |
| | 6,048,082 | 5,116,228 |
| 22 FINANCE COST | | |
| Interest on Intercompany Deposits | - | 354,633 |
| Interest on Others | 2,368 | - |
| | 2,368 | 354,633 |
| 23 OTHER EXPENSES | | |
| Power, Fuel and Water | 390,930 | 161,131 |
| Consumption of Stores and Spares | 166,671 | - |
| Rent | 2,575,248 | 1,825,248 |
| Rates and Taxes | 265,281 | 298,121 |
| Insurance | 121,032 | 130,921 |
| Repairs and Maintenance | | |
| Machineries | 162,872 | 235,175 |
| Buildings | 509,642 | 1,189,856 |
| Others | 175,010 | 600,828 |
| Freight and Forwarding | 158,570 | 52,495 |
| Rebates and Discounts | 5,191,173 | 6,142,225 |
| Directors' Fees | 58,000 | 36,000 |
| Bank Charges | 14,851 | 10,319 |
| Travelling and Conveyance Expenses | 1,363,648 | 969,744 |
| Communication Expenses | 299,253 | 328,182 |
| Electricity Expenses | 1,473,388 | 1,578,625 |
| Payment to Auditors | 120,000 | 120,000 |
| Legal & Professional Expenses | 460,700 | 174,108 |
| Service Charges | 813,600 | 693,600 |
| Miscellaneous Expenses | 1,120,977 | 1,125,721 |
| Bad Debts/Irrecoverable Advances Written Off | 404,265 | 9,305 |
| Net Loss/(Profit) on Sale of Investments | | |
| On Current Investments | (81,302) | 9,351 |
| On Long - Term Investments | 3,913,413 | 25,000 |
| | 19,677,222 | 15,715,957 |

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

| | | For the Year 2014-15 | For the Year 2013-14 |
|-------------|--|-------------------------|-------------------------|
| | | ₹ | ₹ |
| 24.1 | CONTINGENT LIABILITIES AND COMMITMENTS | | |
| 1) | CONTINGENT LIABILITIES | | |
| | Claims not acknowledged as debts* | 1,950,186 | 2,410,095 |
| | (Demands for Excise and Sales Tax under contest) | | |
| | Future Profitability may be affected to the extent indicated if such liabilities crystallise. | | |
| 2) | COMMITMENTS | | |
| | Estimated amount of contracts remaining to be executed on Capital | 33,002,731 | 33,103,291 |
| | Account and not provided for | | |
| | *out of above ₹ 2,06,300/- paid under protest | | |
| 24.2 | Trade Purchases | | |
| | Imported | - | - |
| | Indigenous | 19,520,352 | 21,529,402 |
| | | 19,520,352 | 21,529,402 |
| 24.3 | Expenditure in Foreign Currency | | |
| | Travelling Expenses | 110,057 | 50,100 |
| 24.4 | Payment to Auditors | | |
| | Audit Fees | 75,000 | 75,000 |
| | Tax Audit Fees | 15,000 | 15,000 |
| | Limited Review | 30,000 | 30,000 |
| | TOTAL | 120,000 | 120,000 |
| 24.5 | 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 have not been made and auditors have relied on the same. | - | 1,701,917 |
| 24.6 | EARNING PER SHARE (EPS) | | |
| | Basic and Diluted | | |
| a) | Net Profit/(loss) after taxation | 13,030,014 | (2,066,761) |
| b) | No. of Equity Shares of ₹ 10 each | 679,474 | 679,474 |
| c) | Basic and Diluted Earning Per share | 19.18 | (3.04) |
| 24.7 | RELATED PARTY DISCLOSURES (As per Accounting Standard 18) : | | |
| | (as identified by the management and relied by the auditors) | | |
| i) | Control : | | |
| | Mr B. L. Jatia | | |
| ii) | Enterprises in which a director has significant influence : | | |
| | Hawco Lubricants Private Limited | | |
| | Saubhagya Impex Private Limited | | |
| | Shri Ambika Trading Co. Private Limited | | |
| | Vishwas Investment & Trading Co. Private Limited | | |
| | West Leisure Resorts Limited | | |
| | Westlife Development Limited | | |
| | West Pioneer Properties (India) Private Limited | | |
| iii) | Key Management Personnel : | | |
| | Mr B. L. Jatia - Managing Director | | |
| | Ms Smita Tambe - Company Secretary | | |
| | Mr N. Abhichandani - Chief Finance Officer | | |
| iv) | Relatives : | | |
| | Smt Lalita Devi Jatia | | |
| | Smt Usha Devi Jatia | | |
| | Shri Amit Jatia | | |

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Transactions with Related Parties in the ordinary course of business :

| | Enterprises in which a director has significant influence | Key Management Personnel | Relatives |
|--|---|--------------------------------|-------------|
| | ₹ | ₹ | ₹ |
| A) Transactions during the year : | | | |
| CURRENT YEAR | | | |
| a) Rent Income | 3,240,000 | - | - |
| b) Rent Paid | 1,500,000 | - | - |
| c) Service Charges Paid | 789,600 | - | - |
| d) Purchases of Investments | 130,000 | - | 184,737,700 |
| e) Sales of Investments | 11,960,625 | - | - |
| f) Remuneration paid | | | - |
| Mr B. L. Jatia - Managing Director | | 3,060,851 | |
| Ms Smita Tambe - Company Secretary | | 535,617 | |
| Mr N. Abhichandani - Chief Finance Officer | | 712,221 | |
| PREVIOUS YEAR | | | |
| a) Rent Income | 5,400,000 | - | - |
| b) Rent Paid | 750,000 | - | - |
| c) Service Charges Paid | 679,200 | - | - |
| d) Sales of Investments | 10,000,000 | - | - |
| e) Remuneration paid | | | |
| Mr B. L. Jatia - Managing Director | | 2,859,251 | |
| B) Balance outstanding at the end of the year : | | | |
| Current Year | - | - | - |
| Previous Year | - | - | - |

| | As at 31st March, 2015 | As at 31st March, 2014 |
|---|---------------------------|---------------------------|
| | ₹ | ₹ |
| 24.8 DEFINED BENEFIT : GRATUITY PLAN | | |
| (Information as required under Accounting Standard - 15) | | |
| Obligations at beginning of the year | 1,879,697 | 1,734,620 |
| Interest Cost | 169,173 | 138,770 |
| Service Cost | 152,837 | 137,122 |
| Benefits Settled | - | - |
| Actuarial (Gain)/Loss | (92,082) | (130,815) |
| Obligations at end of the year | 2,109,625 | 1,879,697 |
| Change in Plan Assets | | |
| Fair Value of Plan Assets at beginning of the year | 2,028,885 | 1,865,641 |
| Expected Return on Plan Assets | 186,197 | 163,244 |
| Contributions | - | - |
| Benefits Settled | - | - |
| Actuarial Gain/(Loss) | (5,755) | - |
| Fair Value of Plan Assets at end of the year | 2,209,327 | 2,028,885 |
| Reconciliation of Present Value of the Obligations and Fair Value of Plan Assets | | |
| Fair Value of Plan Assets at end of the year | 2,109,625 | 1,879,697 |
| Present Value of defined benefit obligations at end of the year | (2,209,327) | (2,028,885) |
| Liability/(Asset) recognised in the Balance Sheet | (99,702) | (149,188) |
| Gratuity Cost for the year | | |
| Service Cost | 152,837 | 137,122 |
| Interest Cost | 169,173 | 138,770 |
| Expected Return on Plan Assets | (186,197) | (163,244) |
| Actuarial (Gain)/Loss | (86,327) | (130,815) |
| Expense recognised in the Profit & Loss Account | 49,486 | (18,167) |
| Assumptions | | |
| Interest Rate | 7.75% | 9.00% |
| Expected Return on Plan Assets | 7.75% | 9.00% |
| Expected Rate of Salary Increase | 7.00% | 6.50% |
| Attrition Rate | 1.00% | 1.00% |
| Retirement Age | 58 years | 58 years |

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

| | As at 31st March, 2015 ₹ | As at 31st March, 2014 ₹ |
|---|--------------------------------|--------------------------------|
| 24.9 SEGMENT INFORMATION (As per Accounting Standard 17) : | | |
| Primary Segment reporting - Business Segments | | |
| SEGMENT REVENUE | | |
| Industrial Chemicals | 47,040,055 | 40,600,690 |
| Investments | 10,403,610 | 306,615 |
| Total | 57,443,665 | 40,907,305 |
| SEGMENT RESULT | | |
| Industrial Chemicals | 5,246,855 | (1,954,663) |
| Investments | 6,570,938 | 271,590 |
| Total | 11,817,793 | (1,683,073) |
| Unallocated Corporate (Expenses)/Income | (572,379) | (2,525,375) |
| Operating Profit/(Loss) | 11,245,414 | (4,208,448) |
| Interest Expense | 2,368 | 354,633 |
| Income Tax (including Deferred Tax) | (1,786,968) | (2,496,320) |
| Net Profit/(Loss) After Tax | 13,030,014 | (2,066,761) |
| OTHER INFORMATION | | |
| Total carrying amount of Segment Assets | | |
| Industrial Chemicals | 121,202,940 | 292,708,509 |
| Investments | 245,518,258 | 69,866,231 |
| Total | 366,721,198 | 362,574,740 |
| Add : Unallocated Corporate Assets | 13,546,800 | 11,479,423 |
| Total Assets | 380,267,998 | 374,054,163 |
| Total carrying amount of Segment Liabilities | | |
| Industrial Chemicals | 23,996,621 | 27,760,685 |
| Investments | - | - |
| Total | 23,996,621 | 27,760,685 |
| Add : Total Net Worth | 356,271,377 | 346,293,478 |
| Total Liabilities | 380,267,998 | 374,054,163 |
| Capital Expenditure incurred during the year | 9,258,712 | 633,571 |
| Other Non Cash Expenditure | 3,224,713 | 2,804,661 |

NOTES :

- Industrial Chemicals segment includes Metal Working & Maint. Products etc. The Investment segment relates primarily to the activity of Investment.
- The operations of the Company are entirely in India and hence, there are no other reportable geographical segments.

24.10 LEASES :
i) Non-cancellable operating leases taken for use of premises :

| | | |
|---|----------------|------------------|
| Less than one year | 500,000 | 1,312,648 |
| One to Five years | Nil | Nil |
| More than Five years | Nil | Nil |
| Total minimum lease rental obligations | 500,000 | 1,312,648 |

ii) Non-cancellable operating leases granted for use of premises :

| | | |
|---|------------------|------------------|
| Less than one year | 3,606,000 | 2,655,000 |
| One to Five years | Nil | Nil |
| More than Five years | Nil | Nil |
| Total minimum lease rental obligations | 3,606,000 | 2,655,000 |

24.11 Loans and Advances include deposits of ₹ 1,10,000 (Previous Year Regular 1,10,000) with Central Excise Deptt and ₹15,07,522 (Previous Year ₹16,86,222) 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.

24.12 Trade Receivables include Nil (Previous Year ₹ 17,00,00,000) recoverable towards sale of land.

24.13 Sales exclude Sales Tax/VAT amounting to ₹ 9,86,934 (Previous Year ₹ 12,16,533) collected from customers and paid to the concerned Government.

24.14 There are no amounts, due and outstanding, to be credited to Investor Education & Protection Fund as on the date of the Balance Sheet.

24.15 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 24

As per our report of date attached
For **GMJ & CO**
Chartered Accountants

Atul Jain

Partner
M. No. 037097

For and on behalf of the Board

Smita Tambe
Company Secretary

Narendra Abhichandani
Chief Financial Officer

Place: Mumbai
Date : 13th May, 2015

Banwari Lal Jatia
Managing Director
DIN : 00016823

Om Prakash Adukia
Director
DIN : 00017001

Place: Mumbai
Date : 13th May, 2015

HARDCASTLE & WAUD MANUFACTURING COMPANY LTD.

CIN No.: L99999MH1945PLC004581

Regd. Off.: Netivali Baug, Kalyan 421 306

Tel. No.: 022- 22837658-63 • Fax No.: 022- 22873176 • E-mail Id: ho@hawcoindia.com • Website : www.hawcoindia.com

ATTENDANCE SLIP

Regd. Folio no. _____

Name(s) of Shareholder/ Joint Holder(s) _____

I hereby record my presence at the 69TH ANNUAL GENERAL MEETING of the Company held at registered office at Kalyan (East) on Wednesday, the 30th September, 2015.

Signature of the Shareholder or Proxy _____

Notes:

- Share/ Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signatures on it.
- Share/ Proxy holders who come to attend the meeting are requested to bring their copies of the Annual Report with them.

HARDCASTLE & WAUD MANUFACTURING COMPANY LTD.

CIN No.: L99999MH1945PLC004581

Regd. Off.: Netivali Baug, Kalyan 421 306

Tel. No.: 022- 22837658-63 • Fax No.: 022- 22873176 • E-mail Id: ho@hawcoindia.com • Website : www.hawcoindia.com

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

- Name : _____ Address : _____
E-mail Id : _____ Signature : _____, or failing him
- Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or failing him
- Name : _____ Address : _____
E-mail Id : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 69th Annual General Meeting of the Company to be held on Wednesday, the 30th September, 2015 at 11.00 a.m. at the Registered Office of the Company at Netivali Baug Kalyan – 421306 and at any adjournment thereof in respect of the following:

| Resolution No. |
|---|
| 1. Adoption of the audited financial statements for the year ended March 31, 2015. |
| 2. Re-appointment of Mr Om Prakash Adukia, as a Director of the Company, liable to retire by rotation. |
| 3. Ratification of appointment of M/s. GMJ & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration. |
| 4. Appointment of Mr Dharmendra Agarwal as an Independent Director of the Company. |

Signed this day of 2015.

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp
Here

Note:

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 the commencement of the meeting.



If undelivered, please return to:

HARDCASTLE & WAUD MANUFACTURING COMPANY LIMITED

Brabourne Stadium

87, Veer Nariman Road, Mumbai - 400 020