

REPORT AND ACCOUNTS 2017-2018



GKW Limited

MANAGING DIRECTOR

J D Curavala

DIRECTORS

G Srinivasan

M L Lahoti

N K Navalakha

P S Lodha

Ms S Singhi

VICE PRESIDENT & SECRETARY

J N Ghosh

AUDITORSHaribhakti & Co. LLP
(Chartered Accountants)**REGISTERED OFFICE**

“Central Plaza”

2/6, Sarat Bose Road

Office Space No. 406

4th Floor

Kolkata - 700020

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Fax : 91-33-4008-0741

E-mail ID : gkwcal@rediffmail.com

Website : www.gkwltd.com

CIN L27310WB1931PLC 007026

BANKERS

AXIS Bank Limited

RBL Bank Limited

Yes Bank Ltd

Corporation Bank

State Bank of India

ICICI Bank Ltd

HDFC Bank Ltd

REGISTRAR & SHARE TRANSFER AGENT

(For Physical & Demat)

C B Management Services Pvt. Ltd

P-22, Bondel Road

Kolkata-700019

Phone : (033) 40116700, (100 lines) 2280 6692/2282 3643/2287 0263

Fax : (033) 40116739

E-mail : rta@cbmsl.com

Website : www.cbmsl.com

CIN: U74140WB1994PTC062959

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DIRECTORS' REPORT**TO THE SHAREHOLDERS**

1. The Directors have pleasure in presenting their Annual Report together with the audited statement of accounts of the Company for the year ended 31st March, 2018.

2. FINANCIAL RESULTS

The financial statements of the Company for the year ended 31st March, 2018 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016. Consequently the comparative figures for the year ended 31st March, 2017 have also been realigned as per Ind AS. The disclosure and effects of first time adoption of Ind AS (considering 1st April, 2016 as the date of transition) are detailed in Note 38 of the financial statements.

The results for the year under review are given below :

	2017-2018	2016-2017
	₹ lakhs	
Total Income	1846.58	1746.84
Profit before depreciation	924.57	791.68
Depreciation and Amortization Expense	48.26	36.96
Profit before Tax	876.31	754.72
Tax Expenses	(47.47)	(126.63)
Profit after tax and before Other Comprehensive Income	828.84	628.09
Other Comprehensive Income (net of tax) for the year	24546.24	1640.06
Total Comprehensive Income for the year	25375.08	2268.15

During the year under review, total income increased by 6% to ₹1846.58 lakhs. Profit before tax at ₹876.31 lakhs was 16% higher compared to the previous year, mainly due to improvement in profit from warehousing activity. Profit after tax and before Comprehensive Income at ₹828.84 lakhs is higher due to lower taxation.

Other comprehensive income of ₹ 24560 lakhs was mainly on account of recognition of remeasurement gain on equity investment as mandated under Ind AS. This substantial increase was due to an upsurge in the valuation of equity shares held by the Company as non current investment.

3. DIVIDEND

The Company being in consolidation mode, no dividend has been considered for the year under review.

4. MANAGEMENT DISCUSSION AND ANALYSIS**4.1 Industry Structure and Developments & Segment-wise Performance**

(a) Warehousing business:

During the year under review, warehousing business experienced steady growth. Lease rentals increased

by 14% to ₹979.41 lakhs as compared to ₹856.55 lakhs in the previous year and additional warehousing space was leased out to various parties. The Company incurred capital expenditure of ₹143.69 lakhs for construction/re-construction of covered sheds for creating additional warehousing space, and also on infrastructure like internal roads etc., to support such warehousing activities. As part of its ongoing business, the Company is conducting negotiations with various parties for leasing out additional warehousing space.

(b) Investment and Treasury :

Investment and treasury segment generated income of ₹789.87 lakhs during the year under review. There was an increase in dividend income from equity shares of ₹280 lakhs and also income from mutual funds ₹308.70 lakhs which was partially offset by decrease of ₹511.83 lakhs arising out of remeasurement of mutual funds/bonds at fair value as stipulated under Ind AS. A substantial portion of this loss has subsequently been made up due to improvement in the fair value of mutual funds.

As part of portfolio diversification, the Company invested ₹137.06 lakhs for acquiring ownership rights in prime real estate property.

The Company's investment in real estate property made earlier, was not progressing as expected, hence the Company surrendered its allocation and secured full refund of the deposit amount of ₹998.94 lakhs.

4.2 Discussions on Financial Performance with Respect to Operational Performance

Total income was higher by ₹99.74 lakhs compared to the previous year mainly due to increase in income from warehousing activity.

It is proposed to transfer a sum of ₹500 lakhs (2016-17 - ₹1000 lakhs) to General Reserve.

As in the previous year, there were no borrowings during the year ended 31st March, 2018.

During the year under review, your Company invested a sum of ₹2970.82 lakhs in mutual funds mainly arising from redeployment of ₹898 lakhs from fixed deposits maturing and operating cash flows, etc. of ₹2072.82 lakhs..

Capital Expenditure for the year amounted to ₹290.45 lakhs (2016-17 - ₹194.92 lakhs) and value of assets put into use during the year amounted to ₹292.28 lakhs (2016-17 - ₹294.14 lakhs).

4.3 Opportunities and Threats

The implementation of several structural reforms by the government and the revival of economic growth, coupled with a good monsoon should present opportunities for

growth in the warehousing and logistics areas as also improved returns from the Investment and Treasury segments. This will help in further consolidating the financial health of the Company and enable it to explore growth in related fields.

4.4 Outlook

The Company should benefit from the introduction of the Goods & Service Tax (GST) w.e.f. 1st July, 2017 which is expected to facilitate unhindered movement of goods across the country, significantly benefiting the warehousing segment of the Company.

Reforms in the banking, agricultural and infrastructural sectors are also expected to create opportunities in the manufacturing and services (including financial services) sectors. The expected growth in GDP can also have a favourable impact on the Company's investment and treasury segment.

4.5 Risks and Concerns

Your Directors recognize that there are uncertainties and risks attached to any business. The risks could be external, internal, or a combination of both. External risks can be intensification of competition, product substitution, technological obsolescence, changes in Government policy with regard to taxes and levies or economic slowdown adversely impacting demand and profitability. In an increasingly globalised economy, world economic trends would also impact business of the Company. Such risks will be continuously monitored and appropriate action will be taken by the Company to minimize the same. Internal risks comprise operating risks, financial risks and business risk including major equipment breakdowns, labour unrest or product obsolescence. The Company will take effective steps to deal with such risks.

A Risk Management Committee has been constituted to consider appropriate measures in mitigating the risk factors.

Each business segment has been informed to identify and report quarterly to the next higher reporting level, on any major risks as perceived by them, whether they be internal or external risks and simultaneously take immediate steps to minimize the impact thereof.

All aspects of the warehousing and treasury operations are being closely monitored to identify potential risks at an early stage, in order to ensure that appropriate risk mitigation measures are put in place.

4.6 Internal Control Systems and Their Adequacy

The Company has adequate internal control system to ensure protection of assets against loss from unauthorised use or disposal, proper maintenance

of accounting records and adherence to Company's policies and procedures. The Company has appointed an Internal Auditor to conduct independent audits and submit periodical reports. An Audit Committee of the Board of Directors reviews the Internal Audit reports, annual financial statements and internal control systems to ensure their effectiveness and adequacy. The Committee also interacts with the Internal/ Statutory Auditors from time to time. Apart from this, audit reports and follow-up actions are periodically reviewed by the top management and remedial actions taken.

4.7 Material Developments in Human Resources/Industrial Relation Front, including Number of People Employed

During the year under review industrial relations within the Company, continued to be stable.

The total number of permanent employees was 14 as on 31st March, 2018.

5. SUBSIDIARY COMPANY

GKW (Overseas Trading) Limited, wholly owned Subsidiary Company had applied for removal of its name under Section 248(2) of the Companies Act, 2013 with Registrar of Companies, West Bengal. The said application is under consideration of the Registrar of Companies. Please refer to Note No. 5 to the Financial Statements.

6. INFORMATION PURSUANT TO SECTION 134

6.1 The Abstract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013, for the year ended 31st March, 2018 is appended hereto as **Annexure I**.

6.2 Four meetings of the Board of Directors were held during the year under review. The meetings were held on 19th May, 2017, 2nd August, 2017, 24th October, 2017 and 31st January, 2018.

6.3 Directors' Responsibility Statement

Pursuant to provisions of Section 134(5) of the Companies Act, 2013 the Directors hereby state that :

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such 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 and loss of the company for that period;

(c) the directors had taken proper and sufficient

care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

6.4 Mr. M.L. Lahoti, Mr. N.K. Navalakha, Mr. P.S. Lodha and Ms. Surbhi Singhi all Independent Directors have submitted a statement under Sub-section (6) of Section 149 of the Companies Act, 2013 on 1st April, 2018.

6.5 Particulars as prescribed under Section 197(12) and Rule 5(1) & (2) of the Companies Management (Appointment and Remuneration of Managerial Personnel), Rules 2014 is appended hereto as **Annexure II**.

6.6 There are no qualifications in the Auditor's Report and the Secretarial Audit Report, hence no comments or explanations by the Board are required.

6.7 The particulars of investments under section 186 of the Companies Act, 2013 as at 31st March, 2018 is provided in Note No 6 and 10 to the Financial Statements.

6.8 The Company had contracts or arrangements with related parties during the year under review and are appended hereto as **Annexure III**. Please also refer to Note no 35 of the Financial Statements.

6.9 Conservation of Energy

The Company is engaged in warehousing activity and is making judicious use of energy efficient devices wherever possible.

6.10 Research & Development and Technology Absorption and Innovation

The nature of business activity viz. warehousing business and investment and treasury operations carried on by the Company does not have any scope for any Research, Development, Technology Absorption and Innovation. However latest developments in materials and processes pertaining to warehousing activity are constantly monitored.

6.11 Foreign Exchange Earnings and Outgo

Earnings in foreign exchange during the year NIL

(2016-2017 - NIL) and out-go was ₹0.85 lakhs (2016-17 – ₹1.50 lakhs).

6.12 Implementation of Risk Management Policy of the Company

The company has already constituted a risk management committee consisting of members who are from the Board of Directors of the Company to consider appropriate measures for mitigating the risk factors both internal and external. The company has already adopted the procedures for the same including identification thereof.

6.13 Evaluation of Board and Directors' Performance

Formal annual evaluation has been made by the Board of its own performance and that of its Committee Members, individual directors and Chairman on the basis of criteria approved by the Nomination and Remuneration Committee/Board. Each Independent Director being evaluated did not participate in the meeting during the discussions on his/her evaluation.

7. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent Directors were fully briefed and familiarized with the operations of the Company, its business mode and steps envisaged to insulate the Company from the impact of business cycles.

8. DIRECTORS

a) Mr J.D.Curravala who is liable to retire by rotation and being eligible offers himself for re-appointment.

b) Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors reappointed Mr. J.D. Curravala as Managing Director and remuneration payable to him from 1st April, 2018 to 31st March, 2019 subject to the approval of the Shareholders at the 88th Annual General Meeting.

9. KEY MANAGERIAL PERSONNEL

The Board of Directors in its meeting held on 8th May, 2014 noted that following officials of the Company viz. Mr. J. D. Curravala, Managing Director, Mr. A. Chakrabarti, Chief Financial Officer and Mr. J. N. Ghosh, Company Secretary are the Key Managerial Personnel.

10. AUDITORS

In the 87th Annual General Meeting held on 2nd August, 2017 Haribhakti & Co. LLP, Chartered Accountants, Bagrodia Niket, 1st Floor, 19C, Sarat Bose Road, Kolkata 700 020 was appointed as statutory auditors of the company for a period of 5 (five) years from the conclusion of 87th Annual General Meeting until the conclusion of 92nd Annual General Meeting. The said auditors continue to be eligible as statutory auditors of the Company.

11. AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished under Clause 4 in the Corporate Governance Report forming a part of the Annual Report. There had been no instances where the Board has not accepted the recommendation of the Audit Committee.

12. SECRETARIAL AUDIT AND APPOINTMENT OF THE SECRETARIAL AUDITORS

The Company appointed Mr. Arup Kumar Roy, practicing Company Secretary at 201, Sarat Bose Road, Kolkata 700 029 to hold office of Secretarial Auditors and to conduct Secretarial Audit. The Secretarial Audit Report for the year under review, is appended hereto as **Annexure IV**.

13. APPLICABILITY OF SECRETARIAL STANDARDS

The Company has complied with applicable Secretarial Standards of the Institute of Company Secretaries of India.

14. PLACING OF ANNUAL RETURN ON THE WEBSITE OF THE COMPANY

The Company has placed its Annual Return on the Website of the Company at www.gkw ltd.com.

15. COST AUDITORS

Pursuant to the Ministry of Corporate Affairs, Notification No.GSR 425(E) dated 30th June, 2014, the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company.

16. FIXED DEPOSITS

The Company has not accepted any deposits from the public and as such there are no outstanding deposits in terms of the Company's (Acceptance of Deposits) Rules, 2014.

17. INFORMATION PERTAINING TO LISTING

The Company's equity shares are listed with National Stock Exchange of India Limited. The Annual Listing Fees have been paid to National Stock Exchange of India Limited for the year 2018-19.

18. CORPORATE GOVERNANCE

The Company has taken adequate steps to ensure compliance of the mandatory provisions of Corporate

Governance as issued by Securities and Exchange Board of India from time to time. A report on Corporate Governance is appended hereto.

19. VARIOUS POLICIES OF THE COMPANY**19.1 Policy on Related Party Transactions**

The Company has implemented Policy on Related Party Transactions.

19.2 Policy on Director's Remuneration and KMP

The Company's Nomination and Remuneration Policy is pertaining to remuneration of Directors and also includes criteria for identification, appointment, tenure, evaluation, retirement and removal of Directors and KMP in terms of Sub-section (3) of Section 178 of the Companies Act, 2013.

19.3 Corporate Social Responsibility Policy

Based on the recommendations of the Committee of Corporate Social Responsibility (CSR), the Board has already approved a policy for CSR pursuant to section 135 of the Companies Act, 2013. However, due to carried forward losses as computed under Section 198 of the Companies Act, 2013, the CSR provisions of the said Section are not currently applicable to your Company.

19.4 Vigil Mechanism

The details of vigil mechanism is established by the Company.

The above Policies are available on the Company's web site at www.gkw ltd.com.

- 20.** Your Directors state that during the year under review, there were no reported cases falling within the purview of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Board of Directors would like to thank the Company's customers, employees, shareholders, bankers, financial advisors, suppliers and all others associated with the Company for their continued support.

For and on behalf of the Board

Kolkata
10th May, 2018

J D Curravala
Managing Director

G Srinivasan
Director

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2018

[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:

1 CIN	L27310WB1931PLC007026
2 Registration Date	17th February, 1931
3 Name of the Company	GKW Limited
4 Category / Sub-Category of the Company	Public Limited Company
5 Address of the Registered office and contact details	Central Plaza, 2/6 Sarat Bose Road, Office Space No. 406, 4th Floor, Kolkata-700020, Ph: 033 4008 0741/42
6 Whether listed company	Yes
7 Name, Address and Contact details of Registrar and Transfer Agent, if any	C B Management Services Private Ltd P-22 Bondel Road, Kolkata- 700019 033-4011 6700 (100 lines)

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:-

SI No.	Name and description of main products/ services	NIC code of the product/ Service	% of the total turnover of the Company
1	Warehousing Services	5210	55.64%
2	Investment and Treasury	-	44.36%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

SI No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Sections
1	Matrix Commercial Private Limited	U51109 WB2005 PTC 105916	Holding	60.01%	Section-2 (87)(ii)
2	GKW (Overseas Trading) Ltd *	U90390 WB1967 PLC 027207	Subsidiary	100%	Section-2 (87)(ii)

* GKW (Overseas Trading) Limited had applied for removal of its name under section 248(2) of the Companies Act, 2013 with the Registrar of the Companies, West Bengal. The said application is under consideration of the Registrar of Companies.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholder	No. of Share Held at the Beginning of the year 01.04.2017				No. of Share held at the End of the Year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
(a) Individuals/ HUF	—	—	—	—	—	—	—	—	—
(b) Central Government(s)	—	—	—	—	—	—	—	—	—
(c) State Government(s)	—	—	—	—	—	—	—	—	—
(d) Bodies Corporate	3580375	0	3580375	60.01	3580375	0	3580375	60.01	0.00
(e) Bank/Financial Institutions	—	—	—	—	—	—	—	—	—
(f) Others	—	—	—	—	—	—	—	—	—
SUB TOTAL (A)(1):	3580375	0	3580375	60.01	3580375	0	3580375	60.01	0.00
2) Foreign									
a) NRIs Individuals	894500	—	894500	14.99	894500	0	894500	14.99	0
b) Other Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corporate	0	0	0	0.00	0	0	0	0	0.00
d) Bank/Financial Institutions	—	—	—	—	—	—	—	—	—
e) Any Others	—	—	—	—	—	—	—	—	—
SUB TOTAL (A)(2):	894500	0	894500	14.99	894500	0	894500	14.99	0.00
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	4474875	0	4474875	75.00	4474875	0	4474875	75.00	0.00
B. Public Shareholding									
1) Institutions									
(a) Mutual Funds	340	2575	2915	0.05	105636	2575	108211	1.81	1.76
(b) Bank/Financial Institutions	108092	4460	112552	1.89	524	4460	4984	0.09	(-)-1.80
(c) Central Government(s)	—	—	—	—	—	—	—	—	—
(d) State Government(s)	—	—	—	—	—	—	—	—	—
(e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
(f) Insurance Companies	34	0	34	0.00	34	0	34	0.00	0.00
(g) Foreign Institutional Investors (FII)	0	1489	1489	0.02	0	1489	1489	0.02	0.00
(h) Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
(i) Other (specify)	—	—	—	—	—	—	—	—	—
Foreign Portfolio Investor	185000	0	185000	3.10	185000	0	185000	3.10	0.00
SUB TOTAL (B)(1):	293466	8524	301990	5.06	291194	8524	299718	5.02	(-)-0.04
B2) Non-Institutions									
(a) Bodies Corporate	—	—	—	—	—	—	—	—	—
i) Indian	684044	2194	686238	11.5	682569	2183	684752	11.48	(-)-0.02
ii) Overseas	—	—	—	—	—	—	—	—	—
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	279090	119399	398489	6.68	287416	115279	402695	6.75	0.07
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	61548	0	61548	1.03	61548	0	61548	1.03	0.00
(c) Others (specify)									
1 NRI	2834	1143	3977	0.07	2469	1133	3602	0.06	(-)-0.01
2 Clearing Member	92	0	92	0	117	0	117	0.00	0.00
3 OCB	—	—	—	—	—	—	—	—	—
4 Trust	60	9	69	0.00	45	9	54	0.00	0.00
5 Unclaimed Suspense A/c.	39214	0	39214	0.66	39131	0	39131	0.66	0.00
6 The Custodian of Benami shares	8	0	8	0.00	8	0	8	0.00	0.00
SUB TOTAL (B)(2):	1066890	122745	1189635	19.94	1073303	118604	1191907	19.98	0.04
B. Total Public Shareholding (B)=(B)(1)+ (B)(2)	1360356	131269	1491625	25.00	1364497	127128	1491625	25.00	0.00
TOTAL (A)+(B):	5835231	131269	5966500	100.00	5839372	127128	5966500	100.00	0.00
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	5835231	131269	5966500	100.00	5839372	127128	5966500	100.00	0.00

(ii) Shareholding of Promoters

Shareholding at the beginning of the year 01.04.2017						Shareholding at the end of the year 31.03.2018		
Sl. No.	Shareholder's Name		No of Shares	% of total shares of Company	% of shares Pledged/ encumbered to	No of Shares	% of total shares of Company	% of shares Pledged/ encumbered to total shares
1	MATRIX COMMERCIAL PRIVATE LTD IN30302853938346/ IN30022210058479							
	a) At the Beginning of the Year		3580375	60.01	NIL	3580375	60.01	NIL
	b) Change during the Year		No Change					
	c) At the end of the Year					3580375	60.01	
2	KRISHNA KUMAR BANGUR IN30022210058671							
	a) At the Beginning of the Year		894500	14.99	NIL	894500	14.99	NIL
	b) Change during the Year		No Change					
	c) At the end of the Year					894500	14.99	NIL

(iii) Change in Promoter's Share holding (please specify if there is no change)

		Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
Sl. No.		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	a) At the beginning of the year	4474875	75.00	4474875	75.00
	b) Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):	No Change in Shareholding during the year			
	c) At the End of the year	4474875	75.00	4474875	75.00

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADR(s))

Sl. No.	For each of the Top 10 Shareholders		Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	BELLONA FINVEST LTD 1202300001084255					
	a) At the Beginning of the Year		524534	8.79	524534	8.79
	b) Change during the Year			No Change		
	c) At the end of the Year				524534	8.79
2	INDIAN OPPORTUNITIES GROWTH FUND-PINEWOOD STRATEGY. IN30152430029831					
	a) At the Beginning of the Year		185000	3.10	185000	3.10
	b) Change during the Year			No Change		
	c) At the end of the Year				185000	3.10
3	IDBI BANK LTD. IN30081210495586					
	a) At the Beginning of the Year		107514	1.80	107514	1.80
	b) Change during the Year					
		Date Reason				
		01.09.2017 SALE	107514	1.80	107514	1.80
	c) At the end of the Year				0	0.00
4	PHOENIX MILLS LIMITED 1202300001051930					
	a) At the Beginning of the Year		60192	1.01	60192	1.01
	b) Change during the Year			No Change		
	c) At the end of the Year				60192	1.01
5	CHARTERED FINANCE AND LEASING LTD. IN30154918798414					
	a) At the Beginning of the Year		35100	0.59	35100	0.59
	b) Change during the Year			No Change		
	c) At the end of the Year				35100	0.59
6	JANARDAN KUMAR KOTHARI IN30210510020951					
	a) At the Beginning of the Year		22000	0.37	22000	0.37
	b) Change during the Year			No Change		
	c) At the end of the Year				22000	0.37
7	DAU LAL KOTHARI 1) IN30210510020969 2) IN30210510020993					
	a) At the Beginning of the Year		29000	0.49	29000	0.49
	b) Change during the Year					
		Date Reason				
		30.03.2018 SALE	15000	0.25	14000	0.24
	c) At the end of the Year				14000	0.24
8	YASHOVARDHAN MOHTA IN30210510021419					
	a) At the Beginning of the Year		10548	0.18	10548	0.18
	b) Change during the Year			No Change		
	c) At the end of the Year				10548	0.18
9	MOUNT INTRA FINANCE PVT. LTD. IN30022210058559					
	a) At the Beginning of the Year		10334	0.17	10334	0.17
	b) Change during the Year			No Change		
	c) At the end of the Year				10334	0.17
10	ELCO CONSULTANTS LTD IN30154939036387					
	a) At the Beginning of the Year		9125	0.15	9125	0.15
	b) Change during the Year			No Change		
	c) At the end of the Year				9125	0.15

Sl. No.	For each of the Top 10 Shareholders		Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
11	SBI LONG TERM ADVANTAGE FUND-SERIES IV IN30378610004579					
	a) At the Beginning of the Year		0	0.00	0.00	0.00
	b) Change during the Year					
		Date Reason				
		19.05.2017 Buy	170	0.00	170	0.00
		26.05.2017 Buy	481	0.01	651	0.01
		02.06.2017 Buy	959	0.02	1610	0.03
		09.06.2017 Buy	361	0.00	1971	0.03
		16.06.2017 Buy	12	0.00	1983	0.03
		23.06.2017 Buy	1226	0.02	3209	0.05
		30.06.2017 Buy	241	0.00	3450	0.06
		07.07.2017 Buy	1161	0.02	4611	0.08
		14.07.2017 Buy	369	0.00	4980	0.08
		21.07.2017 Buy	1205	0.02	6185	0.10
		26.07.2017 Buy	1504	0.03	7689	0.13
		28.07.2017 Buy	55	0.00	7744	0.13
		04.08.2017 Buy	143	0.00	7887	0.13
		11.08.2017 Buy	697	0.01	8584	0.14
		18.08.2017 Buy	155	0.00	8739	0.15
		08.09.2017 Buy	38557	0.64	47296	0.79
		15.09.2017 Buy	58000	0.97	105296	1.76
	c) At the end of the Year				105296	1.76
12	PRADYUMN KOTHARI IN30210510222126					
	a) At the Beginning of the Year		0.00	0.00	0.00	0.00
	b) Change during the Year					
		Date Reason				
		30.03.2018 Buy	15000	0.25	15000	0.25
	c) At the end of the Year				15000	0.25

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018				
		No. of shares	% of total shares of the company	Date	Increase/Decrease In shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.)	Movement during the year	No. of shares	% of total shares of the company
1	Mr. J. D. Curravala – M. D. (Jt. Holder)	100	0.00		0	Nil	100	0.00
2	Mr. G. Srinivasan - Director (Jt. Holder)	50	0.00		0	-do-	50	0.00
3	Mr. M. L. Lahoti - Director	NIL			0	-do-	NIL	0.00
4	Mr. N. K. Navalakha - Director	NIL			0	-do-	NIL	0.00
5	Mr. P. S. Lodha - Director	NIL			0	-do-	NIL	0.00
6	Ms. Surbhi Singhi - Director	NIL			0	-do-	NIL	0.00
7	Mr. A. Chakrabarti – CFO	1	0.00		0	-do-	1	0.00
8	Mr. J. N. Ghosh – Company Secretary	NIL	0.00		0	-do-	NIL	0.00

GKW LIMITED

(vi) 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	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change	NIL	NIL	NIL	NIL
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)	NIL	NIL	NIL	NIL

(vii) 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/WTD/Manager	Total Amount (Rs.)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Mr. J.D.Curavala- MD	5880000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961		4070332
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961		—
2.	Stock Option		—
3.	Sweat Equity		—
4.	Commission		—
	- as % of profit		—
	- others, specify		—
5.	Others, please specify		
	Total (A)		9950332
	Ceiling as per the Act		

B. Remuneration to other Directors

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
1.	Independent Directors		Rs.		Rs.
	➤ Fee for attending Board / Committee Meetings / Commission	Mr. M. L. Lahoti	185000		185000
		Mr. N.K.Navalakha	135000		135000
	➤ Others, please specify	Mr. P.S.Lodha	185000		185000
		Ms. S. Singhi	10000		10000
2.	Total (1)		515000		515000
3.	Other Non-Executive Directors	Mr. G. Srinivasan			
	➤ Fee for attending Board / Committee Meetings / Commission	- Non-Executive Director	45000		45000
	➤ Others, please specify				
4.	Total (2)		45000		45000
5.	Total (B)=(1+2)		560000		560000
6.	Total Managerial Remuneration				
7.	Overall Ceiling as per the Act (For the Wholetime Directors)				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1.	Gross salary (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 the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	Mr. J.N. Ghosh- Company Secretary Mr. A. Chakrabarti- Chief Financial Officer	Rs. 1274400 (a) 114269 (b) 2591520 (a) 225864 (b)	Rs. 1274400 (a) 114269 (b) 2591520 (a) 225864 (b)
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify			
5.	Others, please specify			
	Total		4206053	4206053

(viii) 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	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTOR					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICER IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars	
(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;	Managing Director Mr. J.D. Curavala 13.28:1 Directors Fees Mr. G. Srinivasan 0.06:1 Mr. M.L. Lahoti 0.25:1 Mr. N.K. Navalakha 0.18:1 Mr. P.S. Lodha 0.25:1 Ms. S. Singhi 0.01:1
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Managing Director Mr. J. D. Curavala 23.57% Directors Mr. G. Srinivasan 50% Mr. M. L. Lahoti (7.50)% Mr. N. K. Navalakha (32.50)% Mr. P. S. Lodha (7.50)% Ms. S. Singhi - CFO Mr. A.Chakrabarti 7.75% Company Secretary Mr. J. N. Ghosh 9.05%
(iii) The percentage increase in the median remuneration of employees in the financial year;	5%
(iv) The number of permanent employees on the rolls of company;	14
(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<p>There is no increase in the salaries of employees other than managerial personnel in the last financial year.</p> <p>There are no exceptional circumstances in increase in managerial remuneration.</p>
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration is as per the Remuneration Policy of the Company.

Annexure II

Particulars of Top Ten Employees pursuant to Rule 5(2) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 and forming part of the Report of the Directors for the year ended - 31st March, 2018

Name	Age	No. of shares	Designation/Nature of Duties	Gross Remuneration (Rs.)	Net Remuneration (Rs.)	Qualifications	Experience (Years)	Date of Commencement of Employment	Previous Employment position held
1	2	3	4	5	6	7	8	9	10
J D Curravala	78	100	Managing Director	99,50,332	68,25,456	B.Com., A.C.A., LL.B	51	01.04.1970	Stewart & Lloyds Ltd. (U.K.) -Financial Accountant
A. Bhattacharya	73	31	President	43,48,429	32,56,217	B.E.E	49	01.12.1991	Price Waterhouse Associates Pvt. Ltd. -Vice President
A. Chakrabarti	62	1	Sr. Vice President -Finance	28,17,384	21,98,874	M.Com., A.C.A	34	16.08.1991	Price Waterhouse Manager-Audit
J.N. Ghosh	64		Vice President & Secretary	13,88,669	12,00,429	B.Com.(Hons) F.C.S., LL.B	37	01.06.2005	Phoenix Yule Ltd Company Secretary -Head of Corporate Affairs
A.Ghosh	46		General Manager -Construction & Admin	11,39,443	10,71,501	B.E. (Civil)	21	01.12.2014	Sterling & Wilson Ltd-Construction & Admin Sr. Manager -Project
R.K. Bahl	58	1	Deputy Company Secretary	7,65,966	7,38,785	B.Com.(Hons), F.C.S	32	21.10.2000	Jenson & Nicholson Financial Services Ltd Company Secretary
D.Dutta	51	1	Sr. Manager - Finance	7,60,314	7,41,651	M.Com., F.C.M.A, C.F.A, LL.B, CDipAF(ACCA)	22	13.08.2000	Hindusthan Udyog Limited Deputy Manager
G.Dutta	54		Manager, Construction & Administration	6,42,280	6,28,210	D.M.E	32	07.04.1986	Sankey Wheels Ltd Asst. Manager
S.Wagh	60		Manager - Accounts	9,96,120	9,20,552	B.Sc.	40	20.09.1978	-
Varun Saggi	33		Deputy Manager Sales & Administration	13,32,000	12,38,703	B.Com., M.B.A	11	24.10.2016	Corneliani - Asst. Manager

Notes: 1 Gross remuneration comprises of salary, house rent allowances and leave travel assistance and perquisites as per IT Act but excluding contribution to provident fund, pension fund and gratuity.

2 All employments are contractual.

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.
Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. (Not Applicable)
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name(s) of the related party & nature of relationship	B. D. Bangur Endowment (Charitable Trust)
	Nature of contracts/arrangements/transaction	Annual lease rent of Rs.0.24 lakh. Security Deposit received Rs.0.24 lakhs. Property Tax paid Rs.0.03 lakh.
	Duration of the contracts/arrangements/transaction	The duration of the lease is for 20 years w.e.f. 1st January, 2011
	Salient terms of the contracts or arrangements or transaction including the value, if any	In terms of the Lease Deed dated 24th December, 2010
	Date of approval by the Board	28th October, 2010, 28th January, 2016, 13th February, 2017 and 31st January, 2018
	Amount paid as advances, if any	-

ARUP KUMAR ROY
Practicing Company Secretary

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arupkroy@rediffmail.com



Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
GKW Limited
Central Plaza
2/6, Sarat Bose Road
Office Space No. 406, 4th Floor
Kolkata- 700020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GKW Limited** (the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the GKW Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to 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 following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (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 dealing with 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;

ARUP KUMAR ROY
Practicing Company Secretary

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- (v) And other applicable laws like The Factories Act 1948, Payment of Gratuity Act 1972, The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, The Minimum Wages Act, 1948, The Payment Of Bonus Act, 1965.
- 2. 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 Agreements entered into by the Company with National Stock Exchange of India Limited (NSE).
- 3. 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.
- 4. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 5. 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.

Place : Kolkata
Dated: 10th May, 2018

ARUP KUMAR ROY
PRACTICING COMPANY SECRETARY
ACS : 6784
COP No. : 9597

REPORT ON CORPORATE GOVERNANCE

The following is a report on the Code of Corporate Governance practiced by your Company.

1. Company's Philosophy on Corporate Governance

The Company has always recognised the importance of good Corporate Governance and has strived to practice and improve its focus on it by increasing transparency and accountability to its shareholders and other stakeholders.

2. Board of Directors**2.1 Composition, Category and Directorship in other Companies**

Director	Executive/ Non-executive Independent	Member of Board of Other Public Cos.	Total No. of other committee membership held**		No of shares held in GKW Limited
			As Chairman	As Member	
Mr. J. D. Curravala	Executive	Graphite India Limited	-	1	100 Jointly
Mr. G. Srinivasan	Non-Executive	Dignity Lifestyle Private Limited	-	-	50
Mr. M.L. Lahoti	Non-Executive*	GKW (Overseas Trading) Limited	-	-	-
		Dhruvad Traders Private Limited			
Mr. N.K. Navalakha	Non-Executive*	-	-	-	-
Mr. P.S. Lodha	Non-Executive*	-	-	-	-
Ms Surbhi Singhi	Non-Executive*	Harrisons Malayalam Limited, Pilani Investment and Industries Corp. Ltd STEL Holdings Limited. Rainbow Investments Limited Quest Properties India Ltd., Emerald Haven Realty Limited		6	

* Also Independent

** Only Audit Committee and Stakeholder Relationship Committee considered.

No interse relationship between the Directors has taken place during the year under review. Familiarization programmes for Independent Directors is on the Website of the Company at www.gkw ltd.com.

Board, Annual General Meeting and Attendance

Board Meetings were held on 19th May 2017, 2nd August 2017, 24th October 2017 and 31st January 2018. The Annual General Meeting was held on 2nd August, 2017.

Director	No. of Board Meetings		Attended last AGM
	Held	Attended	
Mr. J. D. Curravala	4	4	Yes
Mr. G. Srinivasan	4	4	Yes
Mr. M.L.Lahoti	4	4	Yes
Mr. N.K. Navalakha	4	3	Yes
Mr. P. S. Lodha	4	4	Yes
Ms. S. Singhi	4	1	No

3. Code of Conduct

The Company has laid down a code of conduct for all its Board Members and Senior Management Personnel. In terms of Regulation, 26(3) of SEBI (Listing Obligations and Disclosure Requirements), the Company has received the necessary declarations affirming compliance with it during the year ended 31st March, 2018. All the Directors and Senior Management Personnel have affirmed to fulfill their responsibilities and uphold the high standards of behaviour laid down in the Code and further confirm that they will avoid any conflict of interest in the dealings with the Company.

4. Audit Committee

The terms of reference of the Audit Committee conforms to those specified in Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as also Section 177 of the Companies Act, 2013. Broadly the following terms are specified for the Audit Committee:

- 1) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 2) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- 3) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 4) examination of the financial statement and the auditors' report thereon;
- 5) approval or any subsequent modification of transactions of the company with related parties;
- 6) scrutiny of inter-corporate loans and investments;
- 7) valuation of undertakings or assets of the company, wherever it is necessary;
- 8) evaluation of internal financial controls and risk management systems;
- 9) monitoring the end use of funds raised through public offers and related matters;
- 10) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 11) to call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
- 12) oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 13) reviewing, with the management, the annual financial statements and the auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the Draft Audit Report;
- 14) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 16) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 17) discussion with internal auditors of any significant findings and follow up thereon;
- 18) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 19) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 20) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 21) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- 22) to review the functioning of the whistle blower mechanism;
- 23) to adequately safeguard against victimization of persons who use the vigil mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases;
- 24) carrying out any other function as is mentioned in the terms of the reference of the Audit Committee.

Compositions, Name of Members and Chairperson

Audit Committee meetings were held on 19th May 2017, 2nd August 2017, 24th October 2017 and 31st January 2018.

Member	Category	Meetings Held	Meetings Attended
Mr. M.L. Lahoti -Chairman	Non-Executive/ Independent	4	4
Mr. N.K. Navalakha	- do -	4	3
Mr. P. S. Lodha	-do -	4	4

Mr. J.D. Curravala and Mr. G. Srinivasan attended all the meetings by invitation.

5. Nomination and Remuneration Committee

(a) The Nomination and Remuneration Committee has been constituted with Mr. M.L. Lahoti, as its Chairman, Mr. N.K. Navalakha and Mr. P.S. Lodha as its members.

The Nomination and Remuneration Committee as constituted met on 12th May, 2017 and 19th January, 2018.

Member	Category	Meetings Held	Meetings Attended
Mr. M.L. Lahoti (Chairman)	Non-Executive/Independent	2	2
Mr. N.K. Navalakha	Non-Executive/Independent	2	1
Mr. P. S. Lodha	Non-Executive/Independent	2	2

The terms of reference of Nomination and Remuneration Committee are as follows:

The terms of reference of Nomination and Remuneration Committee have been broadly referred to under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the National Stock Exchange and Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee include recommending the policy relating to remuneration and employment, relating to identification, appointment, tenure, evaluation, retirement and removal of Directors, Key Managerial personnel (KMP), Senior Managerial personnel and employees of the Company. The above policy is available on the company's website at www.gkw ltd.com.

(b) Performance Evaluation of Independent Directors

The Performance evaluation criteria for Independent Directors is in the Nomination and Remuneration Policy. The above policy is available on the company's website at www.gkw ltd.com.

6. Remuneration Policy:

The remuneration of non-executive directors is decided by the Board within the limits set out in the Companies Act, 2013. The fees to Non Executive Directors are currently Rs.15,000/- for each Board/Committee Meeting. The performance evaluation of Non Executive Directors are evaluated by the Independent Directors. The performance evaluation of Directors is done by the Nomination and Remuneration Committee and of the Independent Directors is done by all members of the Board, excluding the Directors being evaluated. The remuneration of executive and non-executive directors is approved by the Nomination and Remuneration Committee, the Board of Directors and the Shareholders in the General Meeting.

Details of Remuneration to Directors for the year ended 31st March, 2018

Sl. No.	Name	Salary	Commission	Perquisites/ Allowances, Others	Sitting fees	Total
		₹	₹	₹	₹	₹
1.	Mr. J.D. Curravala	5880000	-	4085332	-	9965332
2.	Mr. G. Srinivasan	-	-	-	45000	45000
3.	Mr. M.L. Lahoti	-	-	-	185000	185000
4.	Mr.N.K.Navalakha	-	-	-	135000	135000
5.	Mr. P.S. Lodha	-	-	-	185000	185000
6.	Ms. S. Singhi	-	-	-	10000	10000

Note : Total remuneration comprises of salary, house rent allowance, medical reimbursement, club fees and leave travel assistance.

1. The Non-Executive Directors have been paid only the sitting fees for their attendance at the Board and Committee Meetings. There is no other pecuniary relationship or transactions of the non-executive Directors with the company.
2. The Non-Executive Directors are paid sitting fees within the prescribed limits. The criteria for payment of remuneration of non-executive Directors has been specified in the Nomination and Remuneration policy and is put on the Website of the Company at www.gkw ltd.com
3. There is no performance linked with the incentives and stock option provided to any director of the company.

Service Contracts, Severance Fees and Notice Period

Period of contract of Managing Director : from 11th August, 2017 to 31st March, 2018. The Agreement may be terminated by either party giving the other three month's notice in writing or the Company paying three month's salary in lieu thereof. There is no separate provision for payment of severance fees.

The above remuneration is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013.

7. Transfer Committee

The Transfer Committee of the Company approves transfer and transmission, duplicate, sub-division, consolidation, replacement, rematerialization and other matters related to shares.

The following are the members of the Committee:

1. Mr. J.D. Curravala
2. Mr. N. K. Navalakha - Chairman (Non-Executive — Independent Director)
3. Mr. M. L. Lahoti
4. Mr. P. S. Lodha

The Committee is headed by Mr. N. K. Navalakha and Mr. J. N. Ghosh, Company Secretary is the Compliance Officer.

The Committee met on 12th May'17, 1st August'17, 23rd October'17 and 29th January,18.

Member	Category	Meetings Held	Meetings Attended
Mr. J.D. Curravala	Managing Director/ Executive	4	-
Mr. N.K. Navalakha – Chairman	Non-Executive/ Independent	4	3
Mr. M.L. Lahoti	Non-Executive/ Independent	4	4
Mr. P. S. Lodha	Non-Executive/ Independent	4	4

8. Stakeholder Relationship Committee

The Committee deals with the mechanism for redressal of grievances (transfer of shares, non receipt of annual report etc.) of stakeholders. The following are the Members of the Committee:

1. Mr. M. L. Lahoti - Chairman (Non-Executive — Independent)
2. Mr. N. K. Navalakha
3. Mr. P. S. Lodha

The Committee met on 12th May'17, 1st August'17, 23rd October'17 and 29th January,18.

Member	Category	Meetings Held	Meetings Attended
Mr. M.L. Lahoti -Chairman	Non-Executive/ Independent	4	4
Mr. N.K. Navalakha	Non-Executive/ Independent	4	3
Mr. P. S. Lodha	Non-Executive/ Independent	4	4

There was no pending shareholder's complaint at the end of the year. The number of complaints received were 8 during the year and the same were resolved. As on 31st March, 2018 all complaints have been resolved in Scores.

The details of complaint position during the year ended 31st March, 2018:

Sr. No.	Particulars	NSE	SCORES
1	No. of Complaints remaining unresolved as on 1st April, 2017	NIL	NIL
2	No. of Complaints received during the year	8	27
3	No. of complaints resolved during the year	8	20
4	No. of Complaints withdrawn	NIL	7
5	No. of complaints unresolved as on 31st March, 2018	NIL	NIL

Mr. J.N. Ghosh (Company Secretary) is the compliance officer of the company

9. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted on 31st March, 2015 with the following members :

1. Mr. J. D. Curravala - Chairman
2. Mr. M. L. Lahoti
3. Mr. N. K. Navalakha
4. Mr. P. S. Lodha

The Corporate Social Responsibility policy is available on the company's website at www.gkw ltd.com.

10. Risk Management Committee

The Risk Management Committee was constituted on 11th November, 2014 with the following members :

1. Mr. J. D. Curravala - Chairman
2. Mr. M. L. Lahoti
3. Mr. N. K. Navalakha
4. Mr. P. S. Lodha

The committee did not meet during the year.

11. General Body Meetings

A. Location and time for last three Annual General Meetings were:-

<u>Financial Year</u>	<u>Date of AGM</u>	<u>Venue</u>	<u>Time</u>
31st March, 2017	2nd August, 2017	Kala Kunj, Kolkata	2.00 p.m.
31st March, 2016	9th August, 2016	Kala Kunj, Kolkata	11.00 a.m.
31st March, 2015	12th August, 2015	Kala Kunj, Kolkata	11.00 a.m.

B. Special Resolutions at the last three Annual General Meetings:

- i) At the Eighty-fifth Annual General Meeting held on 12th August, 2015.
 - Re-appointment of Managing Director for a period of one year from 11th August 2015.
- ii) At the Eighty-sixth Annual General Meeting held on 9th August, 2016.
 - Re-appointment of Managing Director for a period of one year from 11th August 2016.
- iii) At the Eighty-seventh Annual General Meeting held on 2nd August, 2017.
 - Revision of remuneration of Managing Director from 1st April, 2017 to 10th August, 2017
 - Re-appointment of Managing Director from 11th August, 2017 to 31st March, 2018.

C. No Special Resolutions were passed for the year 2014-15, 2015-16, 2016-17 through Postal Ballot.

12. Means of Communications

- Quarterly Results : The quarterly results published in the proforma prescribed under the Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are approved and taken on record within 45 days of the close of the relevant quarter. The approved results are notified forthwith to the National Stock Exchange. As the Company publishes the audited financial results within the stipulated period of sixty days from the close of the financial year, the unaudited financial results for the last quarter of the financial year are not published as per the Listing Regulations, 2015.
- Which Newspaper normally published in : Business Standard (English newspaper – Kolkata & Mumbai)
Aajkal (Bengali newspaper – local edition)
- Any website, where displayed : The Financial Results are being displayed on the Company's website at www.gkw ltd.com and at www.nseindia.com.
- Whether it displays official news releases : No
- Presentation made to Institutional investors or to analyst. : No

13. General Shareholders Information

	<u>Date</u>	<u>Time</u>	<u>Venue</u>
AGM:	8th August, 2018	2.00 p.m.	Kala Kunj
Financial Calendar (tentative) 2017-2018			
i) Financial Year	: April-March		
ii) Dividend payment date	: Not applicable		
iii) Date of Book Closure	: 2nd August, 2018 to 8th August, 2018 (both days inclusive)		
iv) Cut-off date	: 1st August, 2018		
v) Electronic Voting	: In terms of Section 108 and other applicable provisions of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the voting at the 88th Annual General Meeting of the Members of the Company shall be conducted through electronic voting. The electronic voting will commence from 5th August, 2018 from 9.00 A.M. to 7th August, 2018 upto 5.00 P.M.		
Name & Address of Stock Exchange at which the shares of the Company are listed and confirmation about payment of Annual Listing Fee to Stock Exchange	: National Stock Exchange of India Limited, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051. Annual Listing Fee for the year 2018-19 has been paid to the aforesaid Stock Exchange.		

GKW LIMITED

Stock Code

Physical & Demat

National Stock Exchange

GKW LIMITED

Demat ISIN Number

INE 528A 01020

14. Stock Market Data

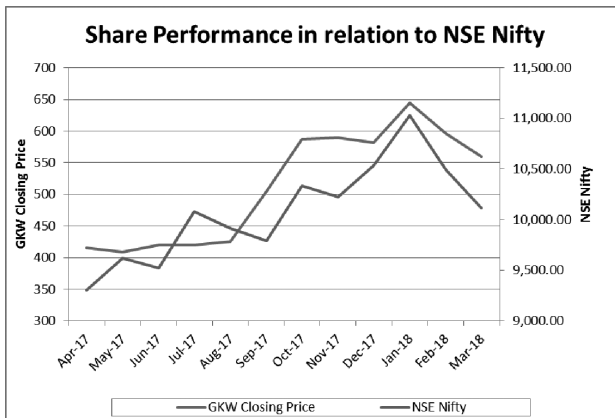
Market price of Company's shares traded during the year	N S E		NSE NIFTY	
Month	High(₹)	Low(₹)	High(₹)	Low(₹)
April, 2017	448.00	405.35	9367.15	9075.15
May, 2017	433.00	399.05	9649.60	9269.90
June, 2017	448.00	380.00	9709.30	9448.75
July, 2017	435.00	350.30	10114.85	9543.55
August, 2017	460.00	411.40	10137.85	9685.55
September, 2017	789.65	413.00	10178.95	9687.55
October, 2017	619.00	494.05	10384.50	9831.05
November, 2017	635.90	568.00	10490.45	10094.00
December, 2017	617.00	535.05	10552.40	10033.35
January, 2018	792.90	573.00	11171.55	10404.65
February, 2018	665.00	530.00	11117.35	10276.30
March, 2018	632.15	546.00	10525.50	9951.90

Registrar and Transfer Agents : C B Management Services Private Limited, P-22, Bondel Road, Kolkata 700 019

Share Transfer Systems : Share transfers are registered and returned within 15 days of lodgement thereof, if the documents are clear in all respects.

Share Performance comparison to Broad Based Indices (NSE Nifty):

Month	GKW Closing Price	NSE Nifty
Apr-17	415.95	9,304.05
May-17	409.00	9,621.25
Jun-17	420.00	9,520.90
Jul-17	420.00	10,077.10
Aug-17	425.50	9,917.90
Sep-17	505.05	9,788.60
Oct-17	586.90	10,335.30
Nov-17	589.75	10,226.55
Dec-17	581.75	10,530.70
Jan-18	644.50	11,027.70
Feb-18	596.60	10,492.85
Mar-18	560.00	10,113.70



15. Distribution of shareholding

Distribution of shareholding as on 31.03.2018

No. of Shares held	No. of Shareholders	%	No. of Shares	%
1- 500	25649	99.53	280383	4.70
501- 1000	50	0.19	38190	0.64
1001- 2000	32	0.12	47371	0.79
2001- 3000	15	0.06	38901	0.65
3001- 4000	3	0.01	10852	0.18
4001- 5000	4	0.02	18412	0.31
5001-10000	5	0.02	36381	0.61
10001 & above	13	0.05	5496010	92.12
TOTAL	25771	100.00	5966500	100.00

16. Shareholding Pattern

Shareholding Pattern as on 31.03.2018

Category	No. of Shares Held	% of share- holding of issued share capital
I PROMOTERS HOLDING		
Promoters – a. Indian Promoters	3580375	60.01
b. Foreign Promoters	894500	14.99
Sub Total	4474875	75.00
II NON PROMOTERS HOLDING		
Institutional Investors		
a. Mutual Fund & Unit Trust of India	108211	1.82
b. Banks, Financial Institutions & Insurance Companies, (Central/State Govt. Institution/Non Govt. Institution)	5018	0.08
c. Foreign Institutional Investors	1489	0.02
d. Others	8	0.00
e. Foreign Portfolio Investor	185000	3.10
Sub Total	299726	5.02
III Others -		
a. Private Corporate Bodies/Trust	684806	11.48
b. Indian Public	464243	7.78
c. NRIS/OCBs/Foreign Nationals	3602	0.06
d. Any other (specify) Clearing members	117	0.00
e. Unclaimed Suspense Account	39131	0.66
Sub Total	1191899	19.98
GRAND TOTAL	5966500	100.00
NOTE: TOTAL FOREIGN SHARE HOLDING	No. of Shares	% of Share Holding
NRIS/OCBS/Foreign Nationals	3602	0.06
FII	1489	0.02
Foreign Portfolio Investor	185000	3.10
Foreign Promoter	894500	14.99
TOTAL	1084591	18.17

17. Dematerialisation of shares and liquidity.

The shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the depositories NSDL and CDSL.

As on 31.03.2018, total of Ordinary shares 5839372 of the Company which forms 97.87% of the share capital stands dematerialised under the Depository System. The International Securities Identification Number (ISIN) allotted to the Company's Ordinary shares is INE 528A 01020.

18. Outstanding GDRs/ADRs/Warrants

or any Convertible Instruments,

Conversion Date and likely impact on Equity. None

19. Unclaimed Shares

The Company has transferred 41975 Unclaimed Ordinary Shares held by 5940 Shareholders, to GKW Limited - Unclaimed Suspense Account with AXIS Bank Ltd., 7, Shakespeare Sarani, Kolkata 700 071 being Depository Participant. The above shares were demated by the aforesaid Bank.

The following is the position of –

- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year : No. of Shareholders : 5865 and No. of outstanding Shares : 39214
- Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year : 14
- Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year : 14
- Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year : No. of Shareholders : 5851 and No. of outstanding Shares : 39131

Locations

1. 97 Andul Road, Howrah 711103, West Bengal. 2. Lal Bahadur Shastri Marg, Bhandup, Mumbai 400 078, Maharashtra

Address for Correspondence GKW Limited, 'Central Plaza', 2/6, Sarat Bose Road, Office Space No.: 406, 4th Floor, Kolkata - 700 020

20. Transfer of proceeds of sale of fractional shares on Merger/De-merger and on merger issue shares payment account on option to Investor Education and Protection Fund

Pursuant to Section 125(1) of the Companies Act, 2013, the Company had transferred the proceeds of sale of fractional shares amounting to ₹ 58.02 lakhs arising out of merger of Powmex Steels Limited with the Company, demerger of Powmex Steels Division to Graphite India Ltd. and Guest Keen Williams Limited Merger Issue Shares Payment Account on option on merger of Sankey Wheels Ltd., with the Company, to Punjab National Bank, Brabourne Road Branch, Kolkata for "Investor Education and Protection Fund" on 5th October, 2016. Since then no transfer was required to be made in compliance with the provisions of Section 125(1) of the Companies Act, 2013.

21. Other Disclosures

- i) Disclosures on materially significant related party transactions of the Company with its promoters, directors, management, subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large. The proper disclosure has been made for related party transactions as per Indian Accounting Standard 24 which has been set out in the Note No. 35 of the financial statement. The transaction have no potential conflict with the interest of the company.
- ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(s), or the board or any Statutory Authority, on any matter related to the Capital markets, during the last three years. There is no such non compliance by the company as above.
- iii) Details of establishment of vigil mechanism, whistle blower, and affirmation that no personnel has been denied access to the audit committee. The company has made out a policy for vigil mechanism / whistle blower and no personnel have been denied access to the Audit Committee.
- iv) Details of compliance with mandatory requirements and adoption of non mandatory requirements. All mandatory requirements with respect to the Corporate Governance Report have been duly complied with and the non mandatory requirements are being reviewed from time to time.
- v) Web link at www.gkw ltd.com where policy for determining "material" subsidiaries is disclosed. The company has no subsidiary company hence this is not applicable.
- vi) Web link where policy on dealing with related party transactions is put on the weblink of the company at www.gkw ltd.com.
- vii) Disclosures of commodity price risks and commodity hedging activities. This is not applicable.
- viii) The requirements in respect of obligations with respect to Independent Directors and Directors and Senior Management have been complied with.
- ix) Familiarization programmes of all Independent Directors were held.
- x) Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.
- xi) The disclosures in respect of other Corporate Governance as specified in Schedule V C(13) of the SEBI (LODR) Regulations, 2015 have been complied with.

22. Compliance of discretionary requirement

- 1) Entitlement of a Non Executive Chairman to maintain a Chairman office at the expense of the Company - Not applicable

- 2) Shareholder Rights –The Company publishes the quarterly results in the News papers in accordance with the Listing Regulations. However, for the present, half-yearly declaration of financial performance including summary of the significant events in last six months are not sent to each household of shareholder.
- 3) Audit qualifications – The audit report on the financial statements of the Company for the year has no qualifications.
- 4) The Company has not yet adopted any policy for separate persons to the post of Chairman and Managing Director.
- 5) The Internal Auditor reports directly to the Audit Committee.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

For and on behalf of the Board

Kolkata,
10th May, 2018

J D Curravala
Managing Director

G Srinivasan
Director

DECLARATION

In terms of Regulation 26(3) read with Schedule V D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all the Board members and Senior Management Personnel of the Company have as on 31st March, 2018 affirmed their compliance of the Code of Conduct of the Company dated 7th March, 2018.

Kolkata,
10th May, 2018

J D Curravala
Managing Director

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**TO
THE MEMBERS,
GKW LIMITED**

1. This Certificate is issued in accordance with the terms of our engagement letter dated 4th December, 2017.
2. We have examined the compliance of conditions of Corporate Governance by GKW Limited ('the Company'), for the year ended as on 31st March, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI") , the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements issued by ICAI.

Opinion

8. Based on our examination, as stated above, and to the best of our information and according to the explanations and written representation provided to us by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended on 31st March, 2018.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W/W100048

Anand Kumar Jhunjunwala

Partner

Membership No.056613

Kolkata

10th May, 2018

Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Certification by Managing Director and Chief Financial Officer

We hereby certify, for the financial year ended 31st March, 2018 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2017-18 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls pertaining to financial reporting.
5. We have evaluated the effectiveness of the internal control system of the Company.
6. We have disclosed to the auditor and the Audit Committee deficiencies, of which we are aware, in the design or operation of the internal control systems.
7. We have taken the required steps to rectify these internal control deficiencies.
8. We further certify that to the best of our knowledge and belief :
 - (a) There have been no significant changes in internal control during this year.
 - (b) There have been no significant changes in accounting policies during the year.
 - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

CHIEF FINANCIAL OFFICER

Kolkata,
10th May, 2018

MANAGING DIRECTOR

GKW LIMITED**Balance Sheet as at 31st March, 2018**

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	3	1161.13	917.08	662.10
Capital Work-in-Progress	3	4.60	6.43	105.64
Intangible Assets	4	0.03	0.05	0.18
Investment in Subsidiary	5	-	5.00	5.00
Financial Assets				
-Investments	6	29044.00	4484.00	2881.44
-Other Financial Assets	7	201.72	2003.01	1059.12
Deferred Tax Assets (net)	8	836.46	797.07	851.88
Other Non-Current Assets	9	-	1039.17	1036.21
Non-Current Tax Assets (net)		-	-	103.66
Current Assets				
Financial Assets				
-Investments	10	6088.55	3666.39	2791.03
-Trade Receivables	11	15.14	6.70	32.35
-Cash and Cash Equivalents	12	172.27	73.56	238.73
-Other Bank Balances	13	1853.64	987.03	2033.21
-Loans	14	42.61	48.64	23.79
-Other Financial Assets	15	40.35	42.80	35.60
Other Current Assets	16	63.34	24.18	36.22
Total Assets		39523.84	14101.11	11896.16
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	17	596.65	596.65	596.65
Other Equity		37318.21	11943.13	9674.98
LIABILITIES				
Non-Current Liabilities				
Provisions	18	18.32	13.55	27.50
Current Liabilities				
Financial Liabilities				
-Trade Payables	19	5.33	4.79	20.22
-Other Financial Liabilities	20	776.15	689.37	805.13
Other Current Liabilities	21	142.47	106.49	104.26
Provisions	22	633.26	669.43	667.42
Current Tax Liabilities (net)		33.45	77.70	-
Total Equity and Liabilities		39523.84	14101.11	11896.16

Notes to Financial Statements 1 to 43

The Notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala
Partner
Membership No. 056613

J D Curravala
(Managing Director)

G Srinivasan
(Director)

Place: Kolkata
Date: 10th May, 2018

J N Ghosh
(Company Secretary)

A Chakrabarti
(Chief Financial Officer)

Statement of Profit and Loss for the year ended 31st March, 2018

(Rs. in Lakhs)

Particulars	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
INCOME			
Revenue from Operations	23	1780.53	1697.33
Other Income	24	66.05	49.51
Total Income		1846.58	1746.84
EXPENSES			
Employee Benefits Expense	25	354.33	334.77
Depreciation and Amortisation Expense	3 to 4	48.26	36.96
Other Expenses	26	567.68	620.39
Total Expenses		970.27	992.12
Profit Before Tax		876.31	754.72
Tax Expenses:			
- Current Tax		81.56	103.22
- Tax for earlier years (net)		-	18.19
- Deferred Tax		(34.09)	5.22
Profit After Tax		828.84	628.09
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Equity Instruments through Other Comprehensive Income		24560.00	1611.38
- Remeasurement Gains/(Losses) on Defined Benefit Plans		(19.06)	39.59
- Income Tax on Remeasurement Gains/(Losses) as above		5.30	(10.91)
Total Other Comprehensive Income (net of tax)		24546.24	1640.06
Total Comprehensive Income for the Year		25375.08	2268.15
[comprising profit and other comprehensive income for the year]			
Earnings per Equity Share of par value of Rs. 10/- each			
Basic and Diluted (in Rs.)	27	13.89	10.53

Notes to Financial Statements

1 to 43

The Notes referred to above form an integral part of the Statement of Profit and Loss.

This is the Statement of Profit and Loss referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjunwala
Partner
Membership No. 056613

J D Curavala
(Managing Director)

G Srinivasan
(Director)

Place: Kolkata
Date: 10th May, 2018

J N Ghosh
(Company Secretary)

A Chakrabarti
(Chief Financial Officer)

GKW LIMITED**Statement of Changes in Equity for the year ended 31st March, 2018****A. Equity Share Capital**

(Rs. in Lakhs)

Balance at the beginning		Changes in equity share capital during the year		Balance at the end	
As at 1st April, 2016	As at 1st April, 2017	2016-17	2017-18	As at 31st March, 2017	As at 31st March, 2018
596.65	596.65	-	-	596.65	596.65

B. Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus		Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Retained Earnings		
Balance as at 1st April, 2016	7450.00	2175.16	49.82	9674.98
Profit for the year	-	628.09	-	628.09
Equity Instruments through Other Comprehensive Income	-	-	1611.38	1611.38
Remeasurement Gains/(Losses) on Defined Benefit Plans (net of tax)	-	28.68	-	28.68
Transfer to General Reserve	1000.00	(1000.00)	-	-
Balance as at 31st March, 2017	8450.00	1831.93	1661.20	11943.13
Profit for the year	-	828.84	-	828.84
Equity Instruments through Other Comprehensive Income	-	-	24560.00	24560.00
Remeasurement Gains/(Losses) on Defined Benefit Plans (net of tax)	-	(13.76)	-	(13.76)
Transfer to General Reserve	500.00	(500.00)	-	-
Balance as at 31st March, 2018	8950.00	2147.01	26221.20	37318.21

This is the Statement of Changes in Equity referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjunwala
Partner
Membership No. 056613

J D Curravala
(Managing Director)

G Srinivasan
(Director)

Place: Kolkata
Date: 10th May, 2018

J N Ghosh
(Company Secretary)

A Chakrabarti
(Chief Financial Officer)

Cash Flow Statement for the year ended 31st March, 2018

(Rs. in Lakhs)

	Year ended 31st March, 2018	Year ended 31st March, 2017
A. Cash Flow from Operating Activities		
Profit before tax	876.31	754.72
Adjustments for:		
Depreciation and Amortisation Expense	48.26	36.96
(Profit)/Loss on sale / disposal of Property, Plant and Equipment (net)	-	(1.09)
Interest on Income Tax Refund	-	(21.94)
Investment in subsidiary written off	5.00	-
Sundry balances written off	-	4.71
Sale of Scrap	(3.85)	(12.91)
Dividend income on Non-Current Investment	(280.00)	-
Net (Gain)/Loss on fair valuation of Current Investments	178.03	(333.80)
Liability no longer required written back	(54.40)	(12.28)
Operating Profit before Working Capital Changes	769.35	414.37
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Trade Receivables	(8.44)	25.65
(Increase)/Decrease in Other Financial and Non-Financial Assets	2841.57	265.68
Purchase of Current Investments	(5995.00)	(2242.18)
Sale of Current Investments	3394.81	1694.99
(Increase)/Decrease in Fixed Deposits with original maturity of more than 3 months	(898.39)	(106.18)
Increase/(Decrease) in Trade Payables	0.54	(15.43)
Increase/(Decrease) in Other Financial and and Non Financial Liabilities	126.70	(152.78)
Cash Generated/(used in) from Operations	231.14	(115.88)
Direct Taxes paid	(125.83)	120.56
Net Cash Generated from Operating Activities	105.31	4.68
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and Capital Work-in-Progress	(290.45)	(194.93)
Sale of Property, Plant and Equipment	-	3.43
Sale of Scrap	3.85	12.91
Dividend income on Non-Current Investment	280.00	-
Sale of Non-Current Investment	-	8.74
Net Cash used in Investing Activities	(6.60)	(169.85)

Cash Flow Statement for the year ended 31st March, 2018 (Contd...)

		(Rs. in Lakhs)
	Year ended 31st March, 2018	Year ended 31st March, 2017
C. Cash Flow from Financing Activities		
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	98.71	(165.17)
Cash and Cash Equivalents at the beginning of the year	73.56	238.73
Cash and Cash Equivalents at the end of the year (refer Note No. 12)	172.27	73.56
Notes:		
1. Cash and Cash Equivalents at the end of the year comprises of:		
Cash on hand	1.72	1.47
Cheques on hand	-	0.23
Balance with Banks:		
- In Current Accounts	170.55	71.86
Total	172.27	73.56
2. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard 7 "Statement of Cash Flows".		
3. Cash flows from Investments (other than Non-Current Investments) and other assets pertaining to Investment and Treasury Division have been considered as cash flows from operating activities.		
4. Previous year's figures have been rearranged/regrouped to conform to the classification of the current year, wherever considered necessary.		

This is the Cash Flow Statement referred to in our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjunwala
Partner
Membership No. 056613

J D Curravala
(Managing Director)

G Srinivasan
(Director)

Place: Kolkata
Date: 10th May, 2018

J N Ghosh
(Company Secretary)

A Chakrabarti
(Chief Financial Officer)

Notes to Financial Statements for the year ended 31st March, 2018**1. General information**

GKW Limited ('GKW' or 'the Company') is a Public Limited Company, incorporated in India. The equity shares of the Company are listed on the National Stock Exchange ('NSE'). Its immediate and ultimate parent company is Matrix Commercial Private Limited. The address of the registered office is "Central Plaza", 2/6, Sarat Bose Road, Office Space No. 406, 4th Floor, Kolkata – 700020, West Bengal, India.

The Company, incorporated in 1931, is engaged in the businesses of 'Warehousing' and 'Investment and Treasury'. Warehousing consists of leasing out warehousing space and Investment and Treasury operations include investment in bank deposits, equity instruments, bonds and mutual funds.

These financial statements were approved for issue by the Board of Directors of the Company on 10th May, 2018.

2. Significant accounting policies**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("**the Act**") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

For all periods up to and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the previously applicable Indian GAAP, under the historical cost convention, on accrual basis, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements for the year ended 31st March, 2018 are GKW's first Ind AS compliant financial statements. The Company adopted Ind AS in accordance with Ind AS 101- "First-time Adoption of Indian Accounting Standards". The date of transition to Ind AS is 1st April, 2016 ("**transition date**"). The transition was carried out from the previously applicable Indian GAAP as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

2.2 Basis of preparation**(i) Historical cost convention**

These financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical Cost is generally based on the fair value of the consideration given in exchange for goods and services.

(ii) Fair Value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring fair value of an asset or liability, the Company takes into account those characteristics of the assets or liability that market participants would take into account when pricing the asset or liability at the measurement date.

Notes to Financial Statements for the year ended 31st March, 2018

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Functional and presentational currency

These financial statements are presented in Indian Rupee (INR) which is also the functional currency.

(iv) Rounding of amounts

All amounts disclosed in the financial statements have been rounded off to the nearest rupees in Lakhs as per the requirements of Schedule III of the Act, unless otherwise stated.

(v) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or in the notes to the financial statements.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;

Notes to Financial Statements for the year ended 31st March, 2018

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The Company has deemed its operating cycle as twelve months for the purpose of current/non-current classification.

2.4 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable.

- a) Leases where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases. The Company's operating leases as a lessor are cancellable in nature and rental income from such leases is recognised as per the terms of the lease.
- b) Dividend income from investments in equity shares and mutual funds is recognised when the right to receive the dividend is established.
- c) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

2.5 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are available for use, as intended by the management.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at the transition date, measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work-in-progress) less their residual values, over their useful lives. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Depreciation has been provided on straight line method based on useful life specified in Schedule II of the Companies Act, 2013 after retaining residual value of 5% of the original cost of the assets.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the net disposal proceeds and carrying amount of the Property, Plant and Equipment and is recognised in the Statement of Profit and Loss.

Notes to Financial Statements for the year ended 31st March, 2018**2.6 Intangible assets**

An intangible asset is recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives if any other method which reflects the pattern in which the assets' future economic benefits are expected to be consumed by the entity cannot be determined reliably. The estimated useful lives and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at transition date, measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

2.7 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets**(i) Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(ii) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recognised at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes, significant financial assets are tested on an individual basis and other financial assets are assessed collectively in groups that share similar credit risk characteristics.

(iii) Financial assets measured at amortised cost

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise, on specified dates, to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. The losses arising from impairment are recognised in the Statement of Profit and Loss.

(iv) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income.

Pertaining to its non-current investments in equity instruments (except investment in subsidiary, which is measured at cost), the Company has exercised an irrevocable option at the transition date to measure the subsequent changes in the fair value through Other Comprehensive Income.

Notes to Financial Statements for the year ended 31st March, 2018

(v) *Financial assets measured at Fair Value Through Profit or Loss (FVTPL)*

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss. Company's current investments in mutual funds and bonds are measured at fair value through profit and loss.

(vi) *De-recognition of financial assets*

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

(i) *Classification*

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(ii) *Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and in case of borrowings, if any, net of directly attributable transaction costs.

(iii) *Financial liabilities measured at Fair Value Through Profit or Loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

(iv) *Financial liabilities measured at amortised cost*

Financial liabilities are subsequently measured at amortised cost using the EIR method unless at initial recognition, they are classified as fair value through profit or loss.

(v) *Trade and other payables*

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

(vi) *De-recognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss as other income or finance costs.

2.8 Impairment Policy

Financial assets

The Company recognises loss allowances, if any, using the expected credit loss ('ECL') model for the financial assets which are not fair valued. Loss allowance for trade receivables with no significant financing

Notes to Financial Statements for the year ended 31st March, 2018

component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL is measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment loss or gain in the Statement of Profit and Loss.

Non-financial assets

Non financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.9 Investment in subsidiary

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investment in a subsidiary is carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment in subsidiary recognised as at transition date, measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as at transition date.

2.10 Leases

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

For arrangements entered into prior to the transition date, the Company has determined whether the arrangements contain a lease on the basis of the facts and circumstances existing on the transition date.

a) *Arrangements where the Company is the lessee*

Leases where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases. The Company's operating leases as a lessee are cancellable in nature and payments made under such leases are recognised in the Statement of Profit and Loss as per the terms of the lease.

Notes to Financial Statements for the year ended 31st March, 2018

b) *Arrangements where the Company is the lessor*

The Company's significant leasing arrangements are in respect of operating leases for warehouses that are cancellable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

2.11 Foreign currency transactions and translations

Transactions in foreign currencies are translated to the functional currency of the Company (i.e., INR) at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date and the related foreign currency gains or losses are recognised in the Statement of Profit and Loss.

2.12 Employee benefits

Defined Contribution Plans

- a) Employee benefits in the form of Provident Fund and Employees State Insurance are defined contribution plans. The Company recognizes contribution payable to a defined contribution plan as an expense, when an employee renders the related service. If the contribution payable to the scheme for services received before the balance sheet date exceeds the contribution already paid, the contribution payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, the excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

- a) Gratuity liability, Leave encashment liability and Pension Fund scheme are defined benefit plans. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.
- b) Gratuity liability, Leave encashment liability and Pension Fund liability are defined benefit plans. The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.
- c) Re-measurements of the net defined benefit liability/asset comprise:
 - i) actuarial gains and losses;
 - ii) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability/asset; and
 - iii) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability/asset.
- d) Re-measurements of net defined benefit liability/asset are charged or credited to Other Comprehensive Income.

2.13 Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income. In such cases, the tax is recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Notes to Financial Statements for the year ended 31st March, 2018**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and their corresponding tax bases.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax credits and unused tax losses being carried forward, to the extent that it is probable that taxable profits will be available in future against which these can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum Alternate Tax (MAT)

MAT Credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the MAT Credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.14 Provisions and Contingencies

A Provision is recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

Notes to Financial Statements for the year ended 31st March, 2018

3. Property, Plant and Equipment and Capital Work-in-Progress

(Rs. in Lakhs)

Particulars	Tangible Assets - Owned								Tangible Assets - Leased	Total	Capital Work-in-Progress
	Freehold Land	Buildings	Plant and Equipment	Electrical Installation and Equipment	Furniture and Fixtures	Computers	Motor Vehicles	Office Equipment			
Gross Carrying Amount											
Deemed Cost as at 1st April, 2016	42.48	502.56	26.52	33.12	7.63	1.13	40.39	1.35	6.92	662.10	105.64
Additions/Adjustments	-	223.65	-	65.92	3.23	0.33	-	1.01	-	294.14	190.96
Disposals/Adjustments	-	-	-	-	-	-	4.14	0.02	-	4.16	290.17
As at 31st March, 2017	42.48	726.21	26.52	99.04	10.86	1.46	36.25	2.34	6.92	952.08	6.43
Additions/Adjustments	-	274.12	-	6.63	-	-	8.58	2.95	-	292.28	150.37
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	152.20
As at 31st March, 2018	42.48	1000.33	26.52	105.67	10.86	1.46	44.83	5.29	6.92	1244.36	4.60
Accumulated Depreciation											
Depreciation/Amortisation	-	-	-	-	-	-	-	-	-	-	-
As at 1st April, 2016	-	21.31	1.84	4.33	1.27	0.04	7.02	0.97	0.04	36.82	-
Charge for the year	-	-	-	-	-	-	1.82	-	-	1.82	-
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2017	-	21.31	1.84	4.33	1.27	0.04	5.20	0.97	0.04	35.00	-
Charge for the year	-	26.43	1.84	11.23	1.55	0.09	6.13	0.92	0.04	48.23	-
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-	-
As at 31st March, 2018	-	47.74	3.68	15.56	2.82	0.13	11.33	1.89	0.08	83.23	-
Net Carrying Amount:											
As at 31st March, 2018	42.48	952.59	22.84	90.11	8.04	1.33	33.50	3.40	6.84	1161.13	4.60
As at 31st March, 2017	42.48	704.90	24.68	94.71	9.59	1.42	31.05	1.37	6.88	917.08	6.43
As at 1st April, 2016	42.48	502.56	26.52	33.12	7.63	1.13	40.39	1.35	6.92	662.10	105.64

3.1 The Company has used previous Indian GAAP carrying value as deemed cost to measure the items of Property, Plant and Equipment as on the date of transition i.e., 1st April, 2016 (Gross Block - Rs. 1278.80 Lakhs less: Accumulated Depreciation & Amortisation - Rs. 616.70 Lakhs).

GKW LIMITED**Notes to Financial Statements for the year ended 31st March, 2018****4. Intangible Assets**

	(Rs. in Lakhs)
Particulars	
Gross Carrying Amount	
Deemed Cost as at 1st April, 2016	0.18
Additions/Adjustments	-
Disposals/Adjustments	-
As at 31st March, 2017	0.18
Additions/Adjustments	-
Disposals/Adjustments	-
As at 31st March, 2018	0.18
Accumulated Amortisation	
As at 1st April, 2016	-
Charge for the year	0.13
Disposals/Adjustments	-
As at 31st March, 2017	0.13
Charge for the year	0.02
Disposals/Adjustments	-
As at 31st March, 2018	0.15
Net Carrying Amount:	
As at 31st March, 2018	0.03
As at 31st March, 2017	0.05
As at 1st April, 2016	0.18

- 4.1 The Company has used previous Indian GAAP carrying value as deemed cost to measure Intangible Assets as on the date of transition i.e., 1st April, 2016 (Gross Block - Rs. 0.62 Lakhs less: Accumulated Amortisation - Rs. 0.44 Lakhs).
- 4.2 Computer Software is amortised on a straight line basis over a period of 5 years.

5. Investment in Subsidiary

	(Rs. in Lakhs)
Particulars	
	As at
	31st March, 2018
	As at
	31st March, 2017
	As at
	1st April, 2016
Non-Current Investment	
Investment in Equity Instrument of Subsidiary	
Company at cost (Unquoted)	
Nil Equity Shares of Rs. 10/- each, fully paid-up in GKW (Overseas Trading) Limited	5.00
(31st March, 2017: 50,000 shares, 1st April, 2016: 50,000 shares)	5.00
Aggregate amount of unquoted investment	5.00

- 5.1 GKW (Overseas Trading) Ltd, wholly owned subsidiary company has made an application during the year to the Registrar of Companies (ROC), Kolkata for removal of its name from the Registrar of Companies under section 248(2) of the Act. The application was made with the consent of the Company and it is "under process of striking off" by ROC. Accordingly, the amount of investment has been written off during the year.
- 5.2 On transition to Ind AS, the Company has availed the exemption available under Ind AS 101 - "First - time adoption of Indian Accounting Standards" to use previous Indian GAAP carrying value as deemed cost to measure investment in subsidiary.

Notes to Financial Statements for the year ended 31st March, 2018

6. Investments

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non-current Investments			
Investments in Equity Instruments of Body Corporates designated at fair value through other comprehensive income (Quoted)			
4000000 Equity Shares of Rs. 2/- each, fully paid-up in Graphite India Limited (31st March, 2017: 4000000 shares, 1st April, 2016: 4000000 shares)	29044.00	4484.00	2874.00
Nil Equity Shares of Rs. 10/- each, fully paid-up in IDBI Bank Limited (31st March, 2017: Nil, 1st April, 2016: 10720 shares)	-	-	7.44
Aggregate amount of quoted investments and market value thereof	29044.00	4484.00	2881.44

7. Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non-Current portion of Other Bank Balances			
Fixed Deposits with banks having balance maturity of more than twelve months:			
- Not under Lien	-	1365.00	825.00
- Under Lien*	-	400.00	-
Pension Fund	200.62	237.37	234.12
Gratuity Fund	1.10	0.64	-
	201.72	2003.01	1059.12

* Bank guarantee issued against these fixed deposits with a bank (refer Note No. 28)

8. Deferred Tax Assets (net)

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) Deferred Tax Assets			
MAT Credit Entitlement	865.43	864.35	903.03
Defined Benefit Obligations	74.54	49.79	65.23
Others	15.26	13.82	14.37
(b) Deferred Tax Liabilities			
Difference between tax base and book base of Property, Plant and Equipment	(115.29)	(109.65)	(125.71)
Financial Assets at Fair Value through profit or loss	(3.48)	(21.24)	(5.04)
	836.46	797.07	851.88

9. Other Non - Current Assets

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Capital Advances	-	1039.17	1036.21
	-	1039.17	1036.21

Notes to Financial Statements for the year ended 31st March, 2018**10. Investments**

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	(Number of Units)	(Rs. in Lakhs)	(Number of Units)	(Rs. in Lakhs)	(Number of Units)	(Rs. in Lakhs)
Current Investments						
Investments designated at fair value through profit or loss (Unquoted)						
I. Investments in Bonds						
8.40% T.N.E.B Bond Series 2/2009-10 of Rs 10 lakhs each, fully paid	8.40	69.70	12.00	116.40	12.00	102.00
9.65% Yes Bond, 2020 of Rs 10 lakhs each, fully paid	10.00	101.80	10.00	102.00	10.00	114.00
II. Investments in Mutual Funds						
Axis Equity Fund - Growth	-	-	-	-	1085770.90	198.04
Aditya Birla Sun Life Advantage Fund - Growth - Regular Plan	-	-	23452.89	86.64	-	-
Aditya Birla Sun Life Balanced '95 Fund Growth - Regular Plan -	-	-	-	-	8884.78	49.08
Aditya Birla Sun Life Equity Fund - Growth - Regular Plan	-	-	-	-	19518.41	90.55
Aditya Birla Sun Life Balanced Advantage Fund - Dividend - Payout	3076098.27	644.75	-	-	-	-
Canara Robeco Infrastructure - Regular Growth	-	-	74404.76	32.95	74404.76	26.20
DSP BlackRock Focus Fund - Regular Plan - Growth	248830.50	54.42	248830.50	50.75	-	-
DSP BlackRock Opportunities Fund - Growth	-	-	42691.50	81.42	-	-
DSP BlackRock Mid Cap Fund - Regular Plan - Growth	314346.79	171.67	314346.79	154.92	-	-
DSP BlackRock Equity and Bond Fund - Regular Plan - Dividend	2553811.71	619.91	-	-	-	-
Franklin India High Growth Companies Fund - Growth	-	-	161490.88	55.87	-	-
Franklin India Prima Plus Fund - Growth	6363.22	35.85	55020.98	286.42	23333.14	100.85
HDFC Balanced Fund - Regular Plan - Growth	-	-	-	-	189048.77	201.03
HDFC Capital Builder Fund - Regular Plan - Growth	-	-	43990.46	109.24	-	-
HDFC Equity Fund - Regular Plan - Growth	9336.21	55.23	19646.39	106.83	-	-
HDFC Small Cap Fund - Regular Plan - Growth	307172.48	135.86	307172.48	103.27	-	-
HDFC Prudence Fund - Regular Plan - Growth	-	-	11846.43	54.22	10962.26	38.74
HDFC Prudence Fund - Regular Plan - Dividend	5783743.55	1703.20	-	-	-	-
ICICI Prudential Balanced Advantage Fund - Growth	354556.44	117.39	354556.44	107.22	393077.83	100.79
ICICI Prudential Balanced Advantage Fund - Monthly Dividend	2275033.34	327.83	-	-	-	-

Notes to Financial Statements for the year ended 31st March, 2018

10. Investments (Cont'd...)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	(Number of Units)	(Rs. in Lakhs)	(Number of Units)	(Rs. in Lakhs)	(Number of Units)	(Rs. in Lakhs)
Current Investments						
Investments designated at fair value through profit or loss (Unquoted)						
II. Investments in Mutual Funds (Contd....)						
ICICI Prudential Balanced Fund - Monthly Dividend	6189409.71	1488.55	-	-	171743.24	36.31
ICICI Prudential Equity Arbitrage Fund- Dividend	-	-	4002212.71	552.95	-	-
ICICI Prudential FMP Series 73-366 days Plan A Cumulative	-	-	2735650.00	352.64	2735650.00	328.01
ICICI Prudential Focused Bluechip Equity Fund - Growth	508517.67	196.49	-	-	1067214.00	293.70
ICICI Prudential Multicap Fund - Growth	-	-	73898.91	188.28	-	-
ICICI Prudential Value Discovery Fund - Growth	-	-	81888.86	107.50	43759.85	47.61
ICICI Prudential Dynamic Plan - Growth	59492.03	149.99	-	-	-	-
IDFC Infrastructure Fund - Growth (Regular Plan)	318552.50	56.50	-	-	-	-
Kotak Opportunities Fund - Growth (Regular Plan)	-	-	158552.31	161.63	60393.77	47.13
Kotak Select Focus Fund - Growth (Regular Plan)	175975.79	55.98	1508769.11	433.65	1332793.32	295.37
L&T India Prudence Fund - Growth	-	-	-	-	254777.07	49.16
Reliance Equity Savings Fund - Dividend	-	-	-	-	800975.20	80.93
Reliance Regular Savings Fund - Balanced Option - Growth	-	-	-	-	319520.56	126.42
SBI Magnum Balanced Fund - Regular Plan - Growth	-	-	-	-	133541.09	126.47
SBI Magnum Balanced Fund - Regular Plan - Dividend	-	-	-	-	139763.31	36.19
SBI Blue Chip Fund - Regular Plan - Growth	-	-	-	-	350934.02	97.98
SBI Magnum Multicap Fund - Regular Plan - Growth	224993.25	103.43	1040614.43	421.59	627394.61	204.47
Aggregate amount of unquoted investments		6088.55		3666.39		2791.03

11. Trade Receivables

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, considered good	15.14	6.70	32.35
	15.14	6.70	32.35

GKW LIMITED**Notes to Financial Statements for the year ended 31st March, 2018****12. Cash and Cash Equivalents**

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Banks:			
- In Current Accounts	170.55	71.86	178.67
- In Fractional Share Payment Accounts (refer Note No. 12.1)	-	-	58.02
Cheques on hand	-	0.23	-
Cash on hand	1.72	1.47	2.04
	172.27	73.56	238.73

- 12.1** The Company has transferred Rs. 58.02 lakhs being the balance lying in fractional share payment accounts to Investor Education and Protection Fund (IEPF) in the financial year 2016-17 in accordance with MCA Notification dated 5th September, 2016.

13. Other Bank Balances

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Fixed Deposits with Banks having balance maturity of twelve months or less:			
- Not under Lien	1653.64	987.03	1832.72
- Under Lien*	200.00	-	200.00
Margin Money	-	-	0.49
	1853.64	987.03	2033.21

* Bank guarantee issued against these fixed deposits with a bank (refer note No. 28)

14. Loans

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Unsecured, Considered Good			
Security Deposits	42.61	48.64	23.79
	42.61	48.64	23.79

15. Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Interest Accrued but not due			
-on Investments in Bonds	3.39	4.13	4.13
-on Fixed Deposits with Banks	18.32	30.08	27.36
-on Security Deposits	1.60	0.57	-
Dividend Receivable from units of Mutual Funds	5.36	2.97	-
Other Receivables	11.68	5.05	4.11
	40.35	42.80	35.60

Notes to Financial Statements for the year ended 31st March, 2018

16. Other Current Assets

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Balances with Government Authorities	35.82	2.90	10.65
Advance to staff	0.86	0.57	0.65
Advance to suppliers	7.13	3.07	1.95
Recoverable claims	16.70	14.70	14.70
Prepaid Expenses	2.83	2.94	8.27
	63.34	24.18	36.22

17. Share Capital

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Authorised:			
Equity Shares:			
59665008 Equity Shares, Rs. 10/- par value per share (31st March, 2017: 59665008 Equity Shares, 1st April, 2016: 59665008 Equity Shares)	5966.50	5966.50	5966.50
Preference Shares:			
49250000 Redeemable Preference Shares, Rs. 10/- par value per share (31st March, 2017: 49250000 Preference Shares, 1st April, 2016: 49250000 Preference Shares)	4925.00	4925.00	4925.00
	10891.50	10891.50	10891.50
Issued, Subscribed and Paid-up:			
5966500 Equity Shares, Rs. 10/- par value per share, fully paid (31st March, 2017: 5966500 Equity Shares, 1st April, 2016: 5966500 Equity Shares)	596.65	596.65	596.65
	596.65	596.65	596.65

Reconciliation of the Number of Equity Shares outstanding

Equity Shares	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
At the beginning of the year	5966500	596.65	5966500	596.65	5966500	596.65
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	5966500	596.65	5966500	596.65	5966500	596.65

Notes to Financial Statements for the year ended 31st March, 2018**Rights, preferences & restrictions in respect of each class of shares**

The Company's authorised share capital consists of two classes of shares, referred to as Equity Shares and Preference Shares, having par value of Rs. 10/- each.

Each holder of Equity Share is entitled to one vote per share. The preferential shareholders have preferential right over equity shareholders in respect of repayment of capital.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Equity Shares of the Company held by holding company

Name of the holding Company	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Matrix Commercial Private Limited	3580375	358.04	3580375	358.04	4474875	447.49

Details of Shareholders holding more than 5% of the equity shares each

Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares	% of shareholding	No. of shares	% of shareholding	No. of shares	% of shareholding
Matrix Commercial Private Limited	3580375	60.01%	3580375	60.01%	4474875	75.00%
Mr. Krishna Kumar Bangur	894500	14.99%	894500	14.99%	-	-
Bellona Finvest Limited	524534	8.79%	524534	8.79%	524534	8.79%

18. Provisions

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Employee Benefits (refer Note No. 34)	18.32	13.55	27.50
	18.32	13.55	27.50

19. Trade Payables

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Micro and small enterprises (refer Note No. 19.1)	-	-	-
Others	5.33	4.79	20.22
	5.33	4.79	20.22

Notes to Financial Statements for the year ended 31st March, 2018

19.1 Micro and Small Enterprises under the Micro and Small Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-	-
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) The amount of interest accrued and remaining unpaid	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
	-	-	-

Dues to the Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

20. Other Financial Liabilities

Particulars	(Rs. in Lakhs)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Creditors for Capital Goods	28.49	5.74	34.03
Claims Payable	291.55	291.55	291.55
Retention Money	13.44	21.61	39.06
Security Deposits	402.93	331.24	265.54
Employee Benefits Payable	39.74	39.23	116.93
Liability for fractional share payment (refer Note No. 12.1)	-	-	58.02
	776.15	689.37	805.13

GKW LIMITED**Notes to Financial Statements for the year ended 31st March, 2018****21. Other Current Liabilities**

	(Rs. in Lakhs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Liability for Expenses	108.97	85.21	84.33
Statutory Liabilities	31.93	19.71	18.36
Advance from Customer	1.57	1.57	1.57
	142.47	106.49	104.26

22. Provisions

	(Rs. in Lakhs)		
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Provision for Employee Benefits (refer Note No. 34)	250.70	236.87	234.86
Provision for Claims* (refer Note No. 29)	382.56	432.56	432.56
	633.26	669.43	667.42

*Provision for Claims relate to provision against disputed demands in respect of annual guaranteed minimum consumption of power, excise, sales tax and other statutory dues pending final resolution thereof.

Notes to Financial Statements for the year ended 31st March, 2018

23. Revenue from Operations

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Sale of Services		
Income from Warehousing facilities - Lease Rentals	979.41	856.55
	979.41	856.55
(b) Income from Investment and Treasury		
Interest Income:		
- On Fixed Deposits	176.37	256.31
- On Bonds	18.98	19.73
- On Security Deposits	1.60	0.59
Dividend Income:		
- On Current Investments	320.34	11.64
- On Non - Current Investment	280.00	-
Profit on sale of Current Investments (net)	170.61	217.21
Gain/(Loss) on fair valuation of Current Investments (net)	(178.03)	333.80
	789.87	839.28
(c) Other Operating Revenue		
Power Connection Fees	11.25	1.50
	11.25	1.50
	1780.53	1697.33

24. Other Income

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Interest on Income Tax Refund	-	21.94
Profit on sale of Property, Plant and Equipment	-	1.09
Sale of Scrap	3.85	12.91
Liability no longer required written back*	54.40	12.28
Other non-operating income	7.80	1.29
	66.05	49.51

*includes liability no longer required written back amounting to Rs. 50 lakhs during the year ended 31st March, 2018 being provision made in earlier years relating to certain sales tax matters.

GKW LIMITED**Notes to Financial Statements for the year ended 31st March, 2018****25. Employee Benefits Expense**

	(Rs. in Lakhs)	
Particulars	As at 31st March, 2018	As at 31st March, 2017
Salaries and Wages	270.31	249.19
Contribution to Provident and Other Funds	58.67	60.99
Staff Welfare Expenses	25.35	24.59
	354.33	334.77

26. Other Expenses

	(Rs. in Lakhs)	
Particulars	As at 31st March, 2018	As at 31st March, 2017
Electricity Charges	26.01	23.44
Rent	47.20	44.44
Legal and Professional Fees	157.99	182.59
Rates and Taxes	86.48	87.73
Consultants' Fees	42.40	38.95
Security Charges	77.35	79.65
Travelling and Conveyance	14.14	18.09
Postage, telephone and telex	13.91	19.04
Printing and Stationery	7.32	6.45
Repairs to Buildings	2.66	6.35
Repairs to Others	7.52	9.59
Investment in subsidiary written off (refer Note No. 5.1)	5.00	-
Insurance	2.99	3.59
Payment to Auditors (refer Note No. 26.1)	5.91	5.69
Director's Sitting Fees	5.60	6.40
Advertisement Expenses	1.18	1.23
Brokerage Expenses	1.47	17.18
Miscellaneous Expenses	62.55	69.98
	567.68	620.39

26.1 Payment to Auditors (excluding taxes)

	(Rs. in Lakhs)	
Particulars	As at 31st March, 2018	As at 31st March, 2017
For Statutory Audit	3.00	2.25
For Limited Reviews	2.45	1.35
For Other Services	0.40	2.03
For reimbursement of expenses	0.06	0.06
	5.91	5.69

Notes to Financial Statements for the year ended 31st March, 2018

27. Earnings Per Share

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Profit after tax attributable to Equity Shareholders (Rs. in lakhs)	828.84	628.09
(b) Weighted Average number of Equity Shares	5966500	5966500
(c) Basic and diluted earnings per share (in Rs.)	13.89	10.53
(d) Nominal value per Equity Share (in Rs.)	10.00	10.00

28. Contingent Liabilities and Commitments

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
A. Contingent Liabilities			
a) Claims against the Company not acknowledged as debts:			
(i) Municipal Tax Demand against Company's premises at Andul Road Works stayed by Hon'ble Calcutta High Court.	215.81	215.81	215.81
(ii) Various labour related matters pending finalisation by appropriate authorities; amount of liability, if any, is presently not ascertainable and a bank guarantee of Rs. 177 lakhs has been issued against certain of these matters.	-	-	-

All pending litigations and proceedings against the Company and the carrying amount of the financial liabilities and claims have been reviewed at the balance sheet date and appropriate adjustment has either been made against existing provisions wherever required or disclosed the same as contingent liabilities, wherever applicable. The Company does not expect the outcome of these proceedings will have a material impact on its financial position and the future cash outflows in respect of the above is dependent upon the outcome of judgments/decisions.

B. Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

43.61 45.21 8.17

29. Details of provision in terms of Indian Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets" pertaining to certain claims (refer Note No. 22)

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Carrying amount at the beginning of the year	432.56	432.56	79.67
Additional provisions made during the year	-	-	352.89
Provisions reversed during the year	(50.00)	-	-
Carrying amount at the end of the year	382.56	432.56	432.56

Notes to Financial Statements for the year ended 31st March, 2018**30. Financial risk management****30.1 Financial risk factors**

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include security deposits, investment in mutual funds, trade receivables and cash and bank balances that arise directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk and the Company's senior management oversees the management of these risks.

i) Market risk

Market risk is the risk that fair value of future cash flows of a financial asset will fluctuate because of changes in market prices. The Company has investment in equity instruments, mutual funds, bonds and fixed deposits. The Company's investments are predominantly held in mutual fund schemes of leading fund houses. The tenure of investment in mutual funds is relatively short and hence the movement in market prices do not pose any significant price risk.

The Company is not an active investor in equity markets and continues to hold certain investments in equity instruments for long term value accretion which are accordingly measured at fair value through other comprehensive income.

Fixed Deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade receivables, deposits with banks and investment in equity instruments, bonds and mutual funds.

(a) Trade receivables

The Company extends credit to customers in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent. An impairment analysis is performed at each reporting date on an individual basis for major customers.

The ageing of trade receivables is as follows:

(Rs. in Lakhs)

Particulars	Outstanding			Total
	upto 6 months	Above 6 months and upto 12 months	Above 12 months	
Trade receivables				
As at 31st March, 2018				
Secured	-	-	-	-
Unsecured	15.14	-	-	15.14
Total	15.14	-	-	15.14
As at 31st March, 2017				
Secured	-	-	-	-
Unsecured	6.70	-	-	6.70
Total	6.70	-	-	6.70

Notes to Financial Statements for the year ended 31st March, 2018**(b) Investments and deposits with Banks**

The Company considers factors such as track record, market reputation and service standards to select mutual funds and banks with which balances and deposits are maintained. The Company does not maintain significant cash balances other than those required for its day to day operations.

iii) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The company's approach in managing liquidity is to ensure that it will have sufficient funds and marketable securities to meet its liabilities when due without incurring unacceptable losses. The company closely monitors its liquidity position through forecasts on the basis of expected cash flows.

30.2 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to safeguard continuity, maintain healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. The funding requirement is met through equity and internal accruals.

31. Fair value of Financial Assets and Liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Rs. in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at fair value through other comprehensive income						
Investment in Equity Instruments	29044.00	29044.00	4484.00	4484.00	2881.44	2881.44
Financial Assets designated at fair value through profit or loss						
Investment in Bonds	171.50	171.50	218.40	218.40	216.00	216.00
Investment in Mutual Funds	5917.05	5917.05	3447.99	3447.99	2575.03	2575.03
Financial Assets designated at amortised cost						
Trade Receivables	15.14	15.14	6.70	6.70	32.35	32.35
Cash and Cash Equivalents	172.27	172.27	73.56	73.56	238.73	238.73
Fixed Deposits with Banks	1853.64	1853.64	2752.03	2752.03	2858.21	2858.21
Pension Fund	200.62	200.62	237.37	237.37	234.12	234.12
Gratuity Fund	1.10	1.10	0.64	0.64	-	-
Interest accrued but not due	23.31	23.31	34.78	34.78	31.49	31.49
Dividend Receivable from units of Mutual Funds	5.36	5.36	2.97	2.97	-	-
Other Receivables	11.68	11.68	5.05	5.05	4.11	4.11
Total Financial Assets	37458.28	37458.28	11312.13	11312.13	9095.27	9095.27

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities designated at amortised cost						
Trade Payables	5.33	5.33	4.79	4.79	20.22	20.22
Creditors for Capital Goods	28.49	28.49	5.74	5.74	34.03	34.03
Claims payable	291.55	291.55	291.55	291.55	291.55	291.55
Retention Money	13.44	13.44	21.61	21.61	39.06	39.06
Security Deposits	402.93	402.93	331.24	331.24	265.54	265.54
Employee Benefits Payable	39.74	39.74	39.23	39.23	116.93	116.93
Liability for fractional share payment	-	-	-	-	58.02	58.02
Total Financial Liabilities	781.48	781.48	694.16	694.16	825.35	825.35

32. Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate certain fair values:

- The fair values of investments in equity investments are based on their quoted market prices at the reporting date.
- The fair values of the mutual funds are based on their published Net Asset Values at the reporting date. The fair values of bonds is determined using valuation techniques using observable market data.
- Fair value of cash and deposits, trade receivables, trade payables and other current financial assets and liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market and are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable, then the instrument is included in level 2.

Notes to Financial Statements for the year ended 31st March, 2018

- iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Rs. in Lakhs)

Particulars	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment in Equity Shares	29044.00	-	-	4484.00	-	-	2881.44	-	-
Investment in Bonds	-	171.50	-	-	218.40	-	-	216.00	-
Investment in Mutual Funds	5917.05	-	-	3447.99	-	-	2575.03	-	-
Total Financial Assets	34961.05	171.50	-	7931.99	218.40	-	5456.47	216.00	-

During the year ended 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under Level 3.

Following table describes the valuation techniques used and key inputs to valuation for level 2 of the fair value hierarchy, as at 31st March, 2018, 31st March, 2017 and 1st April, 2016 :

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial Assets			
Investment in Bonds	Level 2	Yield to Maturity Method	Certificate of Bond Valuation

Notes to Financial Statements for the year ended 31st March, 2018**33. Disclosure pursuant to Indian Accounting Standard 12 - Income Taxes**

- (i) Numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate :

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit Before Taxes (Accounting Profit)	876.31	754.72
Applicable tax rate (as enacted by the relevant Finance Act)	27.553%	33.063%
Computed tax expense	241.45	249.53
Increase/(reduction) in the aforesaid computed tax expense on account of:		
Income not taxable	(130.13)	(103.48)
Expenses not deductible	17.47	17.05
Tax paid at a lower rate	(39.20)	(64.42)
Others	(42.12)	9.76
Total	47.47	108.44
Adjustments recognised in current year in relation to the current tax of prior years	-	18.19
Income tax expense (Current tax + Deferred tax)	47.47	126.63

- (ii) Movement in Deferred Tax Liabilities /(Assets) :

(Rs. in Lakhs)

Particulars	Financial Assets at FVTPL	Defined Benefit Plans	Property, Plant and Equipment & Intangible Assets	Others	Total
As at 1st April 2016	5.04	(65.23)	125.71	(14.37)	51.15
Charged /(credited)					
- to profit or loss	16.20	4.53	(16.06)	0.55	5.22
- to other comprehensive income	-	10.91	-	-	10.91
As at 31st March, 2017	21.24	(49.79)	109.65	(13.82)	67.28
Charged/(credited)					
- to profit or loss	(17.76)	(19.45)	5.64	(1.44)	(33.01)
- to other comprehensive income	-	(5.30)	-	-	(5.30)
As at 31st March, 2018	3.48	(74.54)	115.29	(15.26)	28.97

Notes to Financial Statements for the year ended 31st March, 2018**34. Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits****(a) Defined Contribution Plan:**

Contributions under Defined Contribution Plan as recognised in the Statement of Profit and Loss by the Company are as follows:

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Employer's Contribution towards:		
- Provident Fund	2.87	2.03
- Employees State Insurance	0.26	0.28

(b) Defined Benefit Plan:

(1) Contributions under Defined Benefit Plan as recognised in the Statement of Profit and Loss by the Company are as follows:

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Employer's Contribution towards:		
- Provident Fund	16.52	15.74

The Company has set up Provident Fund Trusts in respect of certain categories of employees which are administered by Trustees. The Trusts invest funds following a pattern of investments.

The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Government under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, on account of interest is to be made good by the Company.

Accordingly, the Actuary has carried out actuarial valuation of plan's liabilities and interest rate guarantee obligations as at the Balance Sheet date using Projected Unit Credit method. Based on such valuation, an amount of Rs. 0.23 lakhs (31st March, 2017: Rs. 0.24 lakhs, 1st April, 2016 Rs. 1.11 lakhs) has been provided towards future anticipated shortfall with regard to interest rate obligation of the Company.

Actuarial assumptions:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Discount Rate	6.75%	7.00%	7.20%
Expected Return on Exempt Fund	8.95%	8.65%	8.50%
Expected EPFO Return	8.55%	8.65% / 8.60%	8.75% / 8.60%

(2) The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is in accordance with Provisions of Payment of Gratuity Act, 1972 .

The Employees Leave Encashment Scheme, which is a defined benefit plan is unfunded.

The following table sets out the details of amount recognised in the financial statements in respect of employee benefit schemes:

Notes to Financial Statements for the year ended 31st March, 2018**(i) The amounts recognised in the Balance Sheet are as under:**

(Rs. in Lakhs)

Particulars	Gratuity (Funded)			Gratuity (Non-Funded)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Present Value of obligation	101.26	100.06	88.86	110.36	114.23	120.30
Fair value of plan assets	102.36	100.70	82.82	-	-	-
Net Assets/ (Liabilities) recognised in balance sheet	1.10	0.64	(6.04)	(110.36)	(114.23)	(120.30)
Non Current	1.10	0.64	(6.04)	-	-	(4.96)
Current	-	-	-	(110.36)	(114.23)	(115.34)

(Rs. in Lakhs)

Particulars	Leave Encashment (Non-Funded)			Pension Fund (Funded)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Present Value of obligation	158.66	136.19	136.02	1729.52	1550.36	1420.87
Fair value of plan assets	-	-	-	1930.14	1787.73	1654.99
Net Assets/(Liabilities) recognised in balance sheet	(158.66)	(136.19)	(136.02)	200.62	237.37	234.12
Non Current	(18.32)	(13.55)	(16.50)	200.62	237.37	234.12
Current	(140.34)	(122.64)	(119.52)	-	-	-

(ii) Changes in present value of obligation:

(Rs. in Lakhs)

Particulars	Gratuity (Funded)			Gratuity (Non-Funded)		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Present Value of obligation at the beginning of the year	100.06	88.86	66.44	114.23	120.30	116.94
Interest Cost	6.81	6.21	4.54	8.00	8.66	9.24
Current service cost	1.85	1.37	2.36	2.46	2.67	2.68
Benefits paid	(5.59)	(5.31)	(17.84)	-	-	-
Actuarial (gain)/loss on obligation	(1.87)	8.93	33.36	(14.33)	(17.40)	(8.56)
Present value of obligation as at the end of the year	101.26	100.06	88.86	110.36	114.23	120.30

Notes to Financial Statements for the year ended 31st March, 2018

(Rs. in Lakhs)

Particulars	Leave Encashment (Non-Funded)			Pension Fund (Funded)		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Present Value of obligation at the beginning of the year	136.19	136.02	99.56	1550.36	1420.87	1411.29
Interest Cost	9.46	9.71	7.55	108.53	102.31	111.13
Current service cost	2.86	3.01	1.60	30.09	28.37	29.69
Benefits paid	(2.24)	(2.27)	(8.11)	-	-	(9.09)
Actuarial (gain)/loss on obligation	12.39	(10.28)	35.42	40.54	(1.19)	(122.15)
Present value of obligation as at the end of the year	158.66	136.19	136.02	1729.52	1550.36	1420.87

(iii) Changes in plan assets:

(Rs. in Lakhs)

Particulars	Gratuity (Funded)			Pension Fund (Funded)		
	2017-18	2016-17	2015-16	2017-18	2016-17	2015-16
Fair Value of plan assets as at the beginning of the year	100.70	82.82	103.53	1787.73	1654.99	1547.00
Return on plan assets	7.25	12.24	7.57	142.41	132.74	134.96
Contributions	-	10.95	-	-	-	-
Benefits paid	(5.59)	(5.31)	(17.84)	-	-	(9.09)
Actuarial (gain)/loss on plan assets	-	-	(10.44)	-	-	(17.88)
Fair value of plan assets as at the end of the year	102.36	100.70	82.82	1930.14	1787.73	1654.99

(iv) Expenses recognised in the Statement of profit and loss consists of :

(Rs. in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non-Funded)	
	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
Employee benefits expenses:				
Current service cost	1.85	1.37	2.46	2.67
Net Interest on net defined benefit liability/(asset)	(0.04)	0.04	8.00	8.66
	1.81	1.41	10.46	11.33
Other Comprehensive income :				
Actuarial (Gain) / Loss	(1.87)	8.93	(14.33)	(17.40)
Return on Plan Assets (greater)/less than discount rate	(0.40)	(6.07)	-	-
Net (Income) / Expense recognised in Other Comprehensive Income	(2.27)	2.86	(14.33)	(17.40)

Notes to Financial Statements for the year ended 31st March, 2018

(iv) Expenses recognised in the Statement of profit and loss consists of : (Contd...)

(Rs. in Lakhs)

Particulars	Leave Encashment (Non-Funded)		Pension Fund (Funded)	
	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
Employee benefits expenses:				
Current service cost	2.86	3.01	30.09	28.37
Net Interest on net defined benefit liability/(asset)	9.46	9.71	(16.61)	(16.86)
	12.32	12.72	13.48	11.51
Other Comprehensive income :				
Actuarial (Gain) /Loss	12.39	(10.28)	40.54	(1.19)
Return on Plan Assets (greater)/less than discount rate	-	-	(17.27)	(13.58)
Net (Income) / Expense recognised in Other Comprehensive Income	12.39	(10.28)	23.27	(14.77)

(v) Principle actuarial assumptions at the Balance Sheet date are as follows:

Particulars	Gratuity (Funded)			Pension Fund (Funded)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Discount Rate	6.75%	7.00%	7.20%	6.75%	7.00%	7.20%
Salary Escalation Rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Expected Rate of return on plan assets	6.75%	7.00%	8.00%	6.75%	7.00%	8.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult			Indian Assured Lives Mortality (2006-08) (modified) Ult		

Particulars	Leave Encashment (Non-Funded)			Gratuity (Non-Funded)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Discount Rate	6.75%	7.00%	7.20%	6.75%	7.00%	7.20%
Salary Escalation Rate	8.00%	8.00%	8.00%	8.00%	0.00%	8.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) Ult			Indian Assured Lives Mortality (2006-08) (modified) Ult		

Notes to Financial Statements for the year ended 31st March, 2018**(vi) Risk exposure**

These plans are exposed to the actuarial risks such as interest rate risk, salary inflation risk and demographic risk and change in leave balances.

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk: Higher than expected increase in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Change in Leave Balances : This is the risk of variability of results due to a significant variation from expected accumulation of leave balances. All other aspects remaining same, higher than expected increase in the leave balances will increase the defined benefit obligation.

(vii) Sensitivity Analysis

Sensitivity analysis on effect on Defined Benefit Obligations on changes in significant assumptions as per Note 34(2)(b) (v) are as follows:-

(Rs. in Lakhs)

Particulars	Change in assumption	Effect on Gratuity obligation (Funded)	Effect on Gratuity obligation (Non-Funded)	Effect on Leave Encashment (Non-Funded)	Effect on Pension Fund (Funded)
For the year ended 31st March, 2017					
Discount rate	+1%	(1.13)	(1.03)	(1.46)	(15.78)
	-1%	1.27	1.05	1.56	16.61
Salary rate	+1%	1.25	1.11	1.57	13.87
	-1%	(1.14)	(1.11)	(0.92)	(5.28)
For the year ended 31st March, 2018					
Discount rate	+1%	(1.22)	(0.99)	(1.97)	(16.91)
	-1%	1.39	1.02	2.16	17.71
Salary rate	+1%	1.36	1.08	2.17	15.13
	-1%	(1.22)	(1.08)	(1.30)	(5.58)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The methods and type of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Notes to Financial Statements for the year ended 31st March, 2018**Presentation in the Statement of Profit and Loss, Other Comprehensive Income (OCI) and Balance Sheet**

Gratuity, provident fund, pension fund and leave encashment benefits are in the nature of defined benefit plans and re-measurement gains/(losses) on defined benefit plans are shown under OCI as 'Items that will not be reclassified to profit or loss', including the income tax effect on the same.

Expense for service cost, net interest on net defined benefit liability/(asset) is recognised in the Statement of Profit and Loss.

Ind AS 19 does not require segregation of net defined liability/(asset) into current and non-current, however net defined liability/(asset) is bifurcated into current and non-current portions in the balance sheet, as per Ind AS 1 on "Presentation of Financial Statements".

35. Disclosure pursuant to Indian Accounting Standard 24 - Related Party Disclosures**(a) Names of Related Parties :**

(i) Parent Company	Country of Origin
Matrix Commercial Private Limited	India
(ii) Subsidiary Company	Country of Origin
GKW (Overseas Trading) Limited (refer Note No. 5.1)	India
(iii) Mr. Krishna Kumar Bangur	Promoter and the person having control over the Company through the voting power in the Holding Company.

(iv) Key Management Personnel (KMP)

Name	Designation
Mr. J.D. Curavala	Managing Director

(v) Entities over which Mr. Krishna Kumar Bangur has significant influence (with whom transactions have taken place during the year).

- Graphite India Limited
- B D Bangur Endowment (A Charitable Trust)

Notes to Financial Statements for the year ended 31st March, 2018

(b) Details of Transactions with Related Parties

(Figures in brackets represent corresponding amounts of previous year)

(Rs. in Lakhs)

Sl. No.	Nature of Transactions	Subsidiary	KMP	Graphite India Limited	B D Bangur Endowment
1	Dividend Received	- (-)	- (-)	280.00 (-)	- (-)
2	Remuneration	- (-)	99.65 (80.10)	- (-)	- (-)
3	Lease rental received	- (-)	- (-)	- (-)	0.24 (0.24)
4	Income from services rendered	3.45 (-)	- (-)	- (-)	- (-)
5	Reimbursement of Property Tax	- (-)	- (-)	- (-)	0.03 (0.03)
Outstanding balances as at 31st March, 2018 :					
a. Receivables		-	-	-	0.03
b. Payables		-	4.06	-	-
c. Security Deposit Received		-	-	-	0.24
Outstanding balances as at 31st March, 2017 :					
a. Receivables		-	-	-	-
b. Payables		-	3.36	-	-
c. Security Deposit Received		-	-	-	0.24
Outstanding balances as at 1st April, 2016 :					
a. Receivables		-	-	-	0.04
b. Payables		-	3.36	-	-
c. Security Deposit Received		-	-	-	0.24

Outstanding balances receivable at the year-end are unsecured.

Notes to Financial Statements for the year ended 31st March, 2018**(c) Compensation to KMP**

The compensation to KMP during the year was as follows:-

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Short-term employee benefits	99.65	80.10
Post Employment Benefits	22.89	27.03

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period.

36. Segment Information

The Company has identified two broad reportable segments viz. "Warehousing" and "Investment and Treasury". Segments have been identified and reported taking into account nature of activities, the different risks and returns and the internal business reporting systems. These business segments are reviewed by the Chief Operating Decision Maker of the Company. The following are the additional policies for Segment Reporting:

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to the Company as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Unallocable".
- Segment Assets and Segment Liabilities represent assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as "Unallocable".

a. Primary Segment Information (Business Segment)**i) Segment Revenue and Results**

(Rs. in Lakhs)

Particulars	Warehousing		Investment and Treasury		Unallocable		Total	
	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
Segment Revenue								
External Sales	990.66	858.05	789.87	839.28	-	-	1780.53	1697.33
Inter - Segment Sales	-	-	-	-	-	-	-	-
Total Revenue	990.66	858.05	789.87	839.28	-	-	1780.53	1697.33
Segment Result before Taxes	890.34	733.73	784.28	839.25	(798.31)	(818.26)	876.31	754.72
Profit/(Loss) Before Tax	890.34	733.73	784.28	839.25	(798.31)	(818.26)	876.31	754.72
Tax Expenses	-	-	-	-	-	-	47.47	126.63
Profit/(Loss) After Tax	890.34	733.73	784.28	839.25	(798.31)	(818.26)	828.84	628.09

Notes to Financial Statements for the year ended 31st March, 2018

ii) Segment Assets and Liabilities

(Rs. in Lakhs)

Particulars	Segment Assets			Segment Liabilities		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Warehousing	1043.64	790.76	618.85	457.11	358.59	338.63
Investment and Treasury	37014.86	10945.17	8567.76	-	-	-
Unallocable	1465.34	2365.18	2709.55	1151.87	1202.74	1285.90
Total	39523.84	14101.11	11896.16	1608.98	1561.33	1624.53

iii) Other Segment Information

(Rs. in Lakhs)

Particulars	Additions to Non-Current Assets		Depreciation and Amortisation		Material Non Cash Expenses other than Depreciation and Amortisation	
	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
Warehousing	144.69	289.56	33.09	25.30	-	-
Investment and Treasury	-	-	-	-	5.00	-
Unallocable	147.59	4.58	15.17	11.66	-	-
Total	292.28	294.14	48.26	36.96	5.00	-

iv) Unallocated Assets comprises of :

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Property, Plant and Equipment	162.79	175.27	186.39
Capital Work-in-Progress	4.60	4.60	4.60
Intangible Assets	0.03	0.05	0.18
Deferred Tax Assets (net)	836.46	797.07	851.88
Non-Current Tax Assets (net)	-	-	103.66
Other Assets	461.46	1388.19	1562.84
Total Assets	1465.34	2365.18	2709.55

v) Unallocated Liabilities comprise of :

(Rs. in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Claims Payable	674.11	724.11	724.11
Current Tax Liabilities (net)	33.45	77.70	-
Other Liabilities	444.31	400.93	561.79
Total Liabilities	1151.87	1202.74	1285.90

Notes to Financial Statements for the year ended 31st March, 2018**B. Geographical Information****a. Revenue from External Customers**

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
In India	1780.53	1697.33
Outside India	-	-
Total Revenue	1780.53	1697.33

b. Information about major customers

Revenue under the segment 'Warehousing' includes revenue from one external customer amounting to Rs. 526.86 lakhs (Previous Year: Rs. 503.10 lakhs) contributing to more than 10% of the total revenue.

37. Leases**a. Leases as Lessee**

The Company entered into operating leases in respect of office and residential premises which are cancellable by giving appropriate notices as per respective agreements. During the year Rs. 26.42 Lakhs (Previous year Rs. 23.49 Lakhs) has been charged to Statement of Profit and Loss on account of lease rentals.

b. Leases as Lessor

The Company has entered into operating leases for warehousing facilities which are cancellable by giving appropriate notices as per respective agreements.

38. Explanation of transition to Ind AS**Ind AS 101: First-time Adoption of Indian Accounting Standards****Mandatory exceptions and Optional exemptions**

The Company has prepared the opening balance sheet as per Ind AS on 1st April, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from the previously applicable Indian GAAP to Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Company are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS**Classification and measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition and the Company has complied accordingly.

As per Ind AS 101, for financial assets or financial liabilities classified as at amortised cost, if it is impracticable for the Company to apply retrospectively the effective interest method as mentioned in Ind AS 109, the fair value of the financial assets or financial liabilities at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or financial liability at the date of transition to Ind AS. For financial assets and financial liabilities classified as at amortised cost, measurement has been done retrospectively by the Company.

Voluntary exemptions availed**a) Deemed cost for Property, Plant and Equipment and Intangible Assets**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as on the transition date measured as per the previously applicable Indian GAAP and use that carrying value as its deemed cost as of the transition date.

b) Investment in Subsidiary

The Company has elected to measure investment in subsidiary at deemed cost, which is the previously applicable Indian GAAP carrying amount, as on the date of transition.

Notes to Financial Statements for the year ended 31st March, 2018

39. Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017 and 1st April, 2016

(Rs. in Lakhs)

Particulars	As at 31st March, 2017			As at 1st April, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
ASSETS						
Non-Current Assets						
Property, Plant and Equipment	917.12	(0.04)	917.08	662.10	-	662.10
Capital Work-in-Progress	6.43	-	6.43	105.64	-	105.64
Intangible Assets	0.05	-	0.05	0.18	-	0.18
Investment in Subsidiary	5.00	-	5.00	5.00	-	5.00
Financial Assets						
-Investments	2822.91	1661.09	4484.00	2831.62	49.82	2881.44
-Other Financial Assets	2003.01	-	2003.01	1059.12	-	1059.12
Deferred Tax Assets (net) *	819.30	(22.23)	797.07	871.28	(19.40)	851.88
Other Non-Current Assets	1039.17	-	1039.17	1036.21	-	1036.21
Non-Current Tax Assets (net)	-	-	-	103.66	-	103.66
Current Assets						
Financial Assets						
-Investments	3307.53	358.86	3666.39	2722.42	68.61	2791.03
-Trade Receivables	6.70	-	6.70	32.35	-	32.35
-Cash and Cash Equivalents	73.56	-	73.56	238.73	-	238.73
-Other Bank Balances	987.03	-	987.03	2033.21	-	2033.21
-Loans	48.64	-	48.64	23.79	-	23.79
-Other Financial Assets	42.80	-	42.80	35.60	-	35.60
Other Current Assets	24.18	-	24.18	36.22	-	36.22
Total Assets	12103.43	1997.68	14101.11	11797.13	99.03	11896.16
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	596.65	-	596.65	596.65	-	596.65
Other Equity	9945.45	1997.68	11943.13	9575.95	99.03	9674.98
LIABILITIES						
Non-Current Liabilities						
Provisions	13.55	-	13.55	27.50	-	27.50
Current Liabilities						
Financial Liabilities						
-Trade Payables	4.79	-	4.79	20.22	-	20.22
-Other Financial Liabilities	689.37	-	689.37	805.13	-	805.13
Other Current Liabilities	106.49	-	106.49	104.26	-	104.26
Provisions	669.43	-	669.43	667.42	-	667.42
Current Tax Liabilities (net)	77.70	-	77.70	-	-	-
Total Equity and Liabilities	12103.43	1997.68	14101.11	11797.13	99.03	11896.16

*includes MAT Credit Entitlement - In the previous GAAP, MAT credit entitlement was being reflected under Non-Current Assets but under Ind AS, it is being netted off against Deferred Tax Assets (net).

40. Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2017		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Statement of Profit and Loss
INCOME			
Revenue from Operations	1407.19	290.14	1697.33
Other Income	49.51	-	49.51
Total Income	1456.70	290.14	1746.84
EXPENSES			
Employee Benefits Expense	295.18	39.59	334.77
Depreciation and Amortisation Expense	36.92	0.04	36.96
Other Expenses	620.39	-	620.39
Total Expenses	952.49	39.63	992.12
Profit Before Tax	504.21	250.51	754.72
Tax Expenses:			
-Current Tax	103.22	-	103.22
-Tax for earlier years (net)	18.19	-	18.19
-Deferred Tax	13.30	(8.08)	5.22
Profit After Tax	369.50	258.59	628.09
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Equity Instruments through Other Comprehensive Income	-	1611.38	1611.38
- Remeasurement Gains/(Losses) on Defined Benefit Plans	-	39.59	39.59
Income Tax on above	-	(10.91)	(10.91)
Total Other Comprehensive Income (net of tax)	-	1640.06	1640.06
Total Comprehensive Income for the year			
[comprising profit/(loss) and other comprehensive income for the year]	369.50	1898.65	2268.15

41. Reconciliation of Equity between the previously applicable Indian GAAP and Ind AS is as follows:-

(Rs. in Lakhs)

Particulars	As at 31st March, 2017	As at 1st April, 2016
Equity as per the previously applicable Indian GAAP (Equity Share Capital + Reserves and Surplus)	10542.10	10172.60
Add/(Less) :		
Fair valuation of Current Investments	358.86	68.61
Fair valuation of Non-Current Investments	1661.09	49.82
Others	(0.04)	-
Deferred Tax adjustments (net) on above	(22.23)	(19.40)
Total Equity as per Ind AS	12539.78	10271.63

42. Reconciliation of Profit/(Loss) between the previously applicable Indian GAAP and Ind AS is as follows:-

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2017
Net Profit as per previous Indian GAAP	369.50
Add/(Less) :	
Gain /(Loss) on measurement of Current Investments at Fair Value through Profit or Loss (net)	290.14
Actuarial remeasurements of defined benefit plans	(39.59)
Others	(0.04)
Deferred Tax adjustments (net) on above	8.08
Net Profit as per Ind AS	628.09
Other Comprehensive Income	
Gain/(Loss) on measurement of Equity Instruments at fair value through Other Comprehensive Income (net)	1611.38
Actuarial remeasurements of defined benefit plans	39.59
Deferred Tax adjustments (net) on above	(10.91)
Total Comprehensive Income as per Ind AS	2268.15

43. Previous year/period figures have been regrouped/rearranged, wherever considered necessary, to make them comparable with those of current year.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Anand Kumar Jhunjhunwala

Partner

Membership No. 056613

J D Curravala
(Managing Director)

G Srinivasan
(Director)

Place: Kolkata

Date: 10th May, 2018

J N Ghosh
(Company Secretary)

A Chakrabarti
(Chief Financial Officer)

INDEPENDENT AUDITOR'S REPORT

To the Members of GKW Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of GKW Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

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

Other Matter

The comparative financial information for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016, prepared in accordance with Ind AS and included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended 31st March, 2017 and 31st March, 2016 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, which were audited by the predecessor auditor whose reports dated 19th May, 2017 and 11th May, 2016 respectively expressed unmodified opinion on those standalone financial statements and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1" 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 purposes 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, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No. 28 to the Ind AS financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunhunwala

Partner

Membership No. 056613

Kolkata

10th May, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the Ind AS financial statements for the year ended 31st March, 2018]

- (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us, major portion of fixed assets have been physically verified by the Company's Management (the "management") during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.
 - (c) According to the information, explanations and representations provided to us by the management, the title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
- (ii) The Company does not have any inventory and hence reporting under Clause 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees and security, the Company has complied with the provisions of Sections 185 and 186 of the Act, wherever applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- (vi) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act has not been specified and accordingly, the provisions of Clause 3(vi) of the Order are not applicable to the Company.
- (vii)
 - (a) According to the 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, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and any other material 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 the afore said dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the dues as at 31st March, 2018 of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax, which have not been deposited on account of any dispute, are as follows :

Name of the Statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	52.83	1995-1998	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Excise Duty	82.55	1994-1997	Commissioner of Central Excise
Customs Act, 1962	Customs Duty	9.37	1981	Calcutta High Court

- (viii) According to the information and explanations given to us, during the year the Company has not taken any loans or borrowings from financial institutions, banks, government or debenture holders and accordingly, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- (ix) During the year, the Company has not raised monies by way of public offer (including debt instruments) or term loans and accordingly, reporting under Clause 3(ix) of the Order is not applicable to the Company.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company.
- (xiii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjunwala

Partner

Membership No. 056613

Kolkata

10th May, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (2)f under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the Ind AS financial statements for the year ended 31st March, 2018]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control

over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048

Anand Kumar Jhunjunwala

Partner

Membership No. 056613

Kolkata

10th May, 2018

GKW LIMITED**10 YEARS' PROFILE**

2008-'09 2009-'10 2010-'11 2011-'12 2012-'13 2013-14 2014-15 2015-16 2016-17* 2017-18

Statement of Profit and Loss									Ind AS	
Sales	9497	2326	4075	3302	3660	1778	1543	1198	1697	1781
Profit/(Loss) before depreciation &										
finance charges	1827	1436	2260	1507	1652	515	197	288	792	925
Finance Charges	(222)	-	-	-	-	-	-	-	-	-
Gross Profit/Loss	1605	1436	2260	1507	1652	515	197	288	792	925
Depreciation	(656)	(86)	(85)	(102)	(88)	(82)	(29)	(23)	(37)	(48)
Profit/(Loss) before tax	524	1350	2175	1405	1564	433	168	265	755	877
Profit/(Loss) after tax	341	1116	2368	1374	1227	371	106	203	628	829
Dividend	-	-	-	-	-	-	-	-	-	-

OTHER STATISTICS

Net Assets Employed	2593	3710	6078	7452	8679	9050	9061	10272	12540	37915
Shareholders' Fund	2593	3710	6078	7452	8679	9050	9061	10272	12540	37915
PBT to Sales (%)	6	58	53	43	43	24	11	22	44	49
PBT to Net Assets Employed (%)	20	36	36	19	18	5	2	3	6	2
Dividend (%)	-	-	-	-	-	-	-	-	-	-
No. of Employees	102	71	82	75	74	56	36	17	15	14
No. of shareholders ('000 nos)	91	38	36	36	29	28	27	27	27	26

Notes :

Brackets represent deductions/losses.

*Figures are restated as per Ind AS



If undelivered, please return to:
C. B. Management Services Pvt. Ltd.
P-22, Bondel Road
Kolkata-700 019

GKW Limited

Registered Office : "Central Plaza"

2/6, Sarat Bose Road, Office Space No: 406,

4th Floor, Kolkata-700 020.

Telephone No.: 4008 0742/4008 0744, Fax No.: 91-33-4008-0741

Email Id: gkwcal@rediffmail.com

CIN L27310WB1931PLC 007026

website : www.gkwltd.com

NOTICE

Notice is hereby given that the 88th Annual General Meeting of the Members of GKW Limited will be held on Wednesday, 8th August, 2018 at 2.00 p.m. at Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017 (at Kala Mandir Premises at the crossing of Shakespeare Sarani and AJC Bose Road) to transact the following businesses:

AS ORDINARY BUSINESS

1. To consider and adopt;

The Audited Financial Statement for the year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon;

2. To appoint a Director in place of Mr. J. D. Curravala (DIN: 00277426) who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS

3. **TO ADOPT NEW ARTICLES OF ASSOCIATION OF THE COMPANY IN CONFORMITY WITH THE COMPANIES ACT, 2013**

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

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and applicable provisions, if any, of the Companies Act, 2013 or any amendment or modifications or re-enactment thereof and subject to such other approvals, as may be necessary, the company do hereby approve the re-appointment of Mr. J.D. Curravala (DIN:00277426) ("Mr. Curravala") as Managing Director of the company with effect from 1st April, 2018 to 31st March, 2019 and payment of salary of ₹ 530,000/-

GKW LIMITED

per month in the scale of ₹ 200,000/- - ₹ 700,000/- on the terms and conditions as set out in the draft Agreement to be executed by the Company with Mr. Curravala, (the salient terms whereof are contained in the Explanatory Statement hereto) and initialed by the Chairman for the purpose of identification and that the Board of Directors may vary the terms and conditions of the said re-appointment and/or Agreement within the limit specified in Schedule V to the Companies Act, 2013 or any amendment, as may be agreed to between the Board of Directors and Mr. Curravala”.

“RESOLVED FURTHER THAT where in any financial year, the Company has no profit or its profits are inadequate, the Company do pay to Mr. J.D. Curravala remuneration by way of total monthly remuneration as set out in the draft Agreement specified above, as the minimum remuneration for the period mentioned above.”

“RESOLVED FURTHER THAT the Board of Directors do take such steps and do all other acts, deeds and things as may be necessary and desirable to give effect to this Resolution.”

Registered Office:

By Order of the Board

“Cental Plaza”, 2/6, Sarat Bose Road,
Office Space No: 406,
4th Floor, Kolkata-700 020
Dated: 10th May, 2018

J. N. Ghosh
Vice President & Secretary

NOTES:

- i) The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
- ii) The Register of Members and Share Transfer Books will remain closed from 2nd August, 2018 to 8th August, 2018 both days inclusive.
- iii) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company.

Proxy(s) submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolution(s)/authority, as applicable.

A person can act as Proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a Proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such person shall not act as a Proxy for any other Member.

An instrument appointing Proxy(s), in order to be effective, must be duly filled, stamped, signed and deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.

- iv) Members are requested to notify any change in their addresses to the Company's Registrar and Share Transfer Agents, C.B. Management Services Private Limited, P-22, Bondel Road, Kolkata 700 019 (Phone No. 033-40116700, Email: rta@cbmsl.com) for recording of any change of address(es), bank mandate(s), NESC or nomination(s).

- v) The Ministry of Corporate Affairs ("MCA") has issued a Circular No. 17/2011 dated 21st April, 2011 on a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and also clarifying that the service of document can be made through electronic mode provided the Company has obtained e-mail address(es) of its members for sending the notices/documents. The Company has therefore decided to issue this intimation to every shareholder to register their e-mail address(es) and changes therein from time to time with the Company's Registrar and Share Transfer Agents or with Concerned Depository Participant. In the meantime the Company proposes to send the documents calling the Annual General Meeting, the audited accounts, directors' report, etc., for the year ended 31st March, 2018 in the electronic form to the e-mail addresses provided by you and made available to us by the depositories.
- vi) The ISIN number allotted to the Company is INE 528A 01020. In view of the advantages offered by the depository system, members are requested to avail of the facility of dematerialization of the Company's shares.
- vii) Members who have multi-accounts in identical name and address or in joint names in the same order are requested to intimate the Company, the ledger folios of such accounts for consolidating their shareholding into one account.
- viii) Individuals holding shares singly or jointly, with upto two persons may nominate another person to whom the shares shall vest in the event of the shareholders' death. Form SH 13 has been prescribed for the purpose. Blank forms are available from the Company's Secretarial Department and at the office of the Registrar and Share Transfer Agents of the Company.
- ix) The Company had opened a bank account "GKW Limited – Unclaimed Suspense Account" with Axis Bank Ltd., 7 Shakespeare Sarani, Kolkata 700 071 as one of the Depository Participants. The shares have been transferred into the Demat Account to comply with Clause 5A(h) of the erstwhile Listing Agreement and the Schedule VI E of the Regulation 39(4) of SEBI (LODR) Regulations, 2015 for the shares unclaimed by the Shareholders due to insufficient/ incorrect information or for any other reason, in demat mode to one folio. The required particulars of "GKW Limited – Unclaimed Suspense Account" have been provided in the Corporate Governance Report.
- x) Mr. J. D. Curravala, retires by rotation in accordance with the Articles of Association of the Company at the forthcoming Annual General Meeting, and being eligible, has offered himself for re-appointment. The re-appointment and remuneration payable to Mr. J.D. Curravala, Managing Director from 1st April, 2018 to 31st March, 2019 is proposed in the Notice as per item bearing No. 4.
- xi) The Notice of the Annual General Meeting of the Company, inter-alia, indicating the manner of e-voting process, e-voting particulars, Proxy Forms and Printed Attendance Slip are being despatched to all the members. Initial login ID and password are provided at the bottom of the Attendance Slip/Proxy Form for the Annual General Meeting. The notice shall also be placed on the Company's website at www.gkw ltd.com forthwith after it is sent to the members.
- xii) Members are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the Annual General Meeting venue.
- xiii) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder, be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

VOTING THROUGH ELECTRONIC MEANS

- (i) According to section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended, e-voting is mandatory for all listed Companies or Companies having members not less than one thousand.
- (ii) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is providing members the facility to exercise their right to vote for the resolutions of the Annual General Meeting (AGM) by electronic voting system through remote e-voting. However, facility for voting through ballot papers shall be made available at the meeting.
- (iii) The Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members, if they so opt, to cast their votes electronically.
- (iv) Any person who becomes member of the Company after despatch of the Notice of the meeting and holding shares as of the cut-off date i.e. 1st August, 2018, the members may obtain their user ID and password for e-voting from Company's Registrar & Transfer Agents, C B Management Services (P) Ltd. P-22, Bondel Road, Kolkata – 700 019 (Phone +91 4011 6700/2280 6692/2282 3643/2287 0263; Fax +91 4011 6739 e-mail : rta@cbmsl.com) or NSDL (Phone +91 22 2499 4600). The detailed procedure for obtaining User ID and password are also provided along with the Notice of the meeting which is available on Company's website. If the member is already registered with NSDL for e-voting, then he can use his existing user ID and password for casting the vote through remote e-voting. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the toll free no.1800-222-990.
- (v) The e-voting shall remain open from 5th August, 2018 (9.00 a.m.) till 7th August, 2018 (5.00 p.m.).
- (vi) During the period, the members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 1st August, 2018 may opt for remote e-voting.
- (vii) The company provides the voting by Ballot papers which may be used for voting only by members attending the meeting.
- (viii) A public notice shall be placed on the website of the Company and NSDL for the resolutions to be considered for the e-voting.
- (ix) At the end of the remote e-voting period, the facility shall forthwith be blocked.
- (x) The Board of Directors has appointed Mr. Arup Kumar Roy, Practicing Company Secretary (Membership No.6784) as the scrutinizer for e-voting to unblock the votes cast through remote e-voting in favour or against each resolution and to report forthwith to the Managing Director. The scrutinizer will be responsible to conduct e-voting in a fair and transparent manner.
- (xi) For redressal of grievances, the members may contact Mr. Amit Banerjee or Mr. Tanmoy Biswas, C/o C.B. Management Services (P) Ltd., P-22 Bondel Road, Kolkata -700 019, Phone no. (033)4011-6700/4011 6739 and email ID : rta@cbmsl.com and tanmoyb@cbmsl.com.
- (xii) The scrutinizer shall after the conclusion of voting at the Annual General Meeting will first count the votes cast at the Annual General Meeting and thereafter unblock the votes cast through remote e-voting in the

presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.

(xiii) The Chairman shall on receipt of such report from the scrutinizer declare the result of the voting latest by 9th August, 2018 and the same shall also be uploaded on the website of the Company at www.gkwlimited.com along with the website of NSDL at www.evoting.nsdl.com.

(xiv) The resolutions, where assented to by the requisite majority of the Members by means of e-voting, shall be deemed to have been duly passed on the date of the announcement of the result as aforesaid on 8th August, 2018 shall be deemed to have been duly passed at a general meeting convened in that behalf.

THE PROCEDURE/INSTRUCTIONS FOR E-VOTING ARE AS UNDER:

The procedure with respect to e-voting is provided below:

A) In case of Members receiving notice by e-mail from NSDL:

- i. Open e-mail and open the attached PDF file viz; "gkwlimited.pdf" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.
- ii. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>
- iii. Click on "Shareholder-Login".
- iv. Insert your user ID and password as initial password noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting, you can use your existing user ID and password for casting your vote.
- v. Password change menu appears. Change the password 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 e-voting opens. Click on "e-voting :Active Voting Cycles".
- vii. Select "e-voting Event Number (EVEN)" of GKW Limited for casting your vote.
- viii. Now you are ready for e-voting as "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on: "Submit" and also "Confirm" when prompted. Upon confirmation, the message "vote cast successfully" will be displayed.
- x. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xi. Institutional Shareholders and Bodies Corporate (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 of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail to arupkroy@rediffmail.com with a copy marked to evoting@nsdl.co.in.

B) In case of Members receiving Notice of Annual General Meeting by post:

- a. Initial password is provided on the Attendance Slip for the AGM.
- b. Please follow all steps from Sl. No. (ii) to Sl. No.(xi) mentioned in (A) above, to cast your vote.
 - i) In case of any queries, you may refer to the “Frequently Asked Questions (FAQs)” for Shareholders and e-voting user manual for Shareholders available at the “downloads” section of NSDL website at www.e-voting.nsdl.com or call on toll free no. 1800-222-990.
 - ii) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
 - iii) Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting through electronic voting system/ballot. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 - iv) The detail instruction for voting through electronic means are also being circulated to the members along with the Notice of Annual General Meeting.
 - v) The Results of the e-voting will be declared latest by 9th August, 2018 after conclusion of the AGM to be held on 8th August, 2018. The declared results along with the Scrutinizer’s Report will be available on the Company’s website at www.gkwLtd.com and on the website of NSDL at www.evoting.nsdl.com and will also be forwarded to the National Stock Exchange where the Company’s shares are listed. Subject to receipt of requisite number of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of the AGM.

**PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/
RE-APPOINTED AT THE MEETING ARE GIVEN BELOW :**

Name of Director	Mr. J. D. Curravala
Age	78 years
Date of Appointment	11.08.1989
Qualifications	B.Com, A.C.A, LL.B
Exposure in specific functional areas	Having wide experience in Finance, Administration, Corporate Management and Business operations.
Directorship held in other companies (excluding foreign companies)	Graphite India Limited (Director)
Member of Committees of the Board of Directors	i) Committee of Directors (Chairman)
	ii) Transfer Committee (Member)
	iii) Corporate Social Responsibility Committee (Chairman)
	iv) Risk Management Committee (Chairman)
Member of Committees of Directors of other Companies	i) Investment Committee of Graphite India Ltd.
	ii) Audit Committee of Graphite India Ltd.
Shareholding in Company	100 Shares (Joint Holding)

EXPLANATORY STATEMENT

The Explanatory Statement under Section 102 of Companies Act, 2013 for Item Nos. 3 and 4 of the accompanying Notice set out hereinabove is as under:

Item No. 3

The Articles of Association ("AOA") of the Company is in force from the date which the Company was incorporated in 1931 and amended from time to time under the Companies Act, 1956. Consequent upon enactment of the Companies Act 2013, it is considered necessary that the existing AOA of the company be modified suitably so as to conform to the provisions of the Companies Act, 2013.

The new AOA will be substituted in place of existing AOA. The salient features of the new AOA are as follows:

- (1) recognizing nominee(s) of a deceased sole member as having title to the deceased's interest in the shares;
- (2) subject to the provisions of the Act and such other regulations as prescribed by SEBI or any other authority for the time being in force, the Company may purchase its own shares or other specified securities.
- (3) appointment of Chief Executive Officer and Chief Financial Officer, in addition to Manager and Company Secretary; and
- (4) existing articles have been streamlined and aligned with the Act;

A copy of the Articles of Association referred to in the Resolution will be available for inspection at the Registered Office of the Company between the hours from 11.00 A.M. to 1.00 P.M. on any working day prior to the date of the meeting and will also be available at the meeting.

No Director, Promoter, other key managerial personnel and their relatives is concerned or interested financially or otherwise in this Resolution.

The Board recommends the Special Resolution as set out in item No 3 of the Notice for approval by the shareholders.

Item No. 4

Mr. J.D. Curravala ("Mr. Curravala") was re-appointed as Managing Director from 11th August, 2017 to 31st March, 2018. The terms and conditions of his re-appointment was approved by the Board of Directors on the basis of recommendation of the Nomination and Remuneration Committee. The Shareholders of the Company had also approved the re-appointment and remuneration payable to Mr. Curravala in its Meeting held on 2nd August, 2017.

The Board of Directors, at its Meeting held on 10th May, 2018, on the basis of recommendation of the Nomination and Remuneration Committee, approved the re-appointment and salary of ₹ 530,000/- per month in the scale of ₹ 200,000/- - ₹ 700,000/- payable to Mr. Curravala from 1st April, 2018 to 31st March, 2019 with other terms and conditions as set out in the Draft Agreement to be entered into between the Company and Mr. Curravala.

Mr.J.D.Curavala shall be the Managing Director of the Company from 1st April, 2018 to 31st March, 2019 and shall perform such duties and exercise such powers as are or may from time to time be lawfully entrusted to and vested in him by the Board of Directors of the Company.

Mr. Curavala has been responsible for restructuring the Company and conceiving and implementing the turn around strategy which resulted in the Company emerging from loss to profitability. Having regard to the qualifications and experience of Mr.Curavala as stated under the BACKGROUND DETAILS hereunder, the Board of Directors of the Company is of the opinion that Mr. Curavala be appointed as Managing Director of the Company from 1st April, 2018 to 31st March, 2019.

The following are the salient terms and conditions of re-appointment of Mr.J.D.Curavala as Managing Director of the Company:

Salary : ₹530,000/- per month in the scale of ₹200,000/- - ₹700,000/- with an authority to the Nomination and Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary/perquisites payable to Mr. Curavala within the limit specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any amendment or modifications or re-enactment thereof and subject to such other approvals (if any) as may be required in accordance with the provisions of sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 including amendment thereof.

1. **Commission :** In addition to the salary and perquisites, Mr. Curavala will be entitled to such commission based on the net profit of the company in any financial year not exceeding 1% of such profit as the Board on the recommendation of the Nomination and Remuneration Committee shall decide having regard to the performance of the Company.

The above Salary and Commission are subject to the limits specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any modifications or re-enactment thereof.

2. Mr. Curavala will also be entitled to Provident fund, Superannuation Fund and Gratuity in accordance with the Company's Scheme(s)/ Rule(s) applicable in this regard.

Such perquisites shall not be included in the computation of the ceiling on remuneration as aforesaid.

3. Mr. Curavala will also be entitled to other benefits, amenities and facilities including medical allowance / reimbursement in accordance with the Company's Scheme(s)/Rule(s) applicable in this regard.
4. Mr. Curavala will also be entitled to House Rent Allowance and Leave Travel Allowance as per the rules of the Company.
5. Provision of cars for use on Company's business and telephones at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Curavala.
6. Mr. Curavala shall be entitled to Earned/Privilege Leave as per rules of the Company. Leave accumulated and not availed of during his tenure in the service of the Company may be allowed to be encashed at the time of his retirement as per rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of perquisites.

7. In the event of loss or inadequacy of profits in any financial year the minimum remuneration by way of total monthly remuneration as specified above payable to Mr. Curravala shall be the same and shall not exceed the limits prescribed as specified above under Schedule V of the Companies Act, 2013 and the Rules made thereunder or any statutory modification or re-enactment thereof.

Mr. J.D. Curravala satisfies all the conditions set out in Schedule V of the Companies Act, 2013, as applicable, as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment.

8. Mr. J.D. Curravala is not disqualified for being appointed as Director in terms of Section 164(4) of the Companies Act, 2013 and has consented to act as Managing Director of the Company.
9. Mr.J.D.Curravala has attained the age of 78 years, hence the continuation of his employment as the Managing Director requires approval by the members by special resolution which is in conformity with section 196(3) read with Part I of Schedule V of the Companies Act, 2013. The Company complies with the conditions of his appointment as Managing Director in terms of the aforesaid Section and also fix the limits of remuneration in compliance with Section I & II of Part II of Schedule V subject to passing of special resolution of the shareholders. Therefore, the Company is proposing to re-appoint Mr Curravala as Managing Director of the Company commencing from 1st April, 2018 to 31st March, 2019 on the terms and conditions contained in the draft Agreement proposed to be entered into by the Company with Mr Curravala in terms of the aforesaid Section and Part I of Schedule V of the Act.

A copy of the Draft Agreement referred to in the Resolution will be available for inspection by the Members at the Registered Office of the Company between the hours from 11.00 A.M. to 1.00 P.M. on any working day prior to the date of the meeting and will also be available at the meeting.

No Director, Promoter, other key managerial personnel and their relatives, except Mr. J.D. Curravala is concerned or interested financially or otherwise in this Resolution.

Accordingly the Board recommends this Resolution for approval as a Special resolution set out in item No 4 of the Notice for approval by the shareholders.

(FOR ITEM NO.4)

STATEMENT PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013 TO BE CIRCULATED TO THE SHAREHOLDERS ALONG WITH THE NOTICE CALLING THE ANNUAL GENERAL MEETING ON 8TH AUGUST, 2018.

I. General Information :

(1) Nature of industry

Warehousing business and Investment & Treasury.

(2) Date or expected date of commencement of commercial production

Not Applicable

GKW LIMITED

- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable

- (4) Financial performance based on given indicators

Financial parameters :

(₹ Lakhs)

	2017-2018	2016-2017
Total Income	1847	1747
Net profit/(loss) (as computed under Section 198)	(23022)	(24176)
Net profit/(loss) before Tax	876	755
Less Taxation	47	127
Profit after Tax	829	628
Other Comprehensive Income	24546	1640
Total Comprehensive Income	25375	2268
Amount of dividend paid	-	-

- (5) Foreign investments or collaborations, if any

- -

II. Information about the appointee :

(1) Background Details:

Mr. J.D.Curravala was born on 21st October, 1939 and on completion of his graduation from Bombay University qualified as a Chartered Accountant from the Institute of Chartered Accountants of India. He also obtained a bachelor's degree in law.

Mr. J.D.Curravala worked with Stewarts & Lloyds Limited, U.K. as Financial Accountant during April 1966 to January 1970. During these four years at U.K. he also attended a training course titled 'Production appreciation for Accountants'. He joined the Company in April 1970 as an Accountant in one of the operating divisions. He was soon promoted as Manager – Accounts of the division. In order to provide Mr. Curravala exposure to Company's operations he was appointed General Manager – Operations of a division in 1984 and later in 1987 he was appointed Chief Executive of a division with overall responsibility for achieving the budgeted profitability of the division. Following the restructuring of the Senior Management of the Company in 1988, Mr. Curravala was appointed Chief Executive – Finance with effect from 1.5.1988 and later from 11.8.1989 he was promoted as Director – Finance of the Company.

Mr. J.D.Curravala has attended the GKN Group (Management Development Programme held in Cambridge, U.K. in 1978) followed by industrial visits to various establishments of the GKN Group in U.K. The Management Development Programme of GKN was attended by Senior Executives of all GKN Group Companies located all over the world and the faculty was drawn from eminent personalities in various fields. The programme allowed the nominee to gain rich experience through interaction with his colleagues from different parts of the world.

Mr. J.D.Curravala has over 50 years of experience of working in India and in U.K. He has the unique experience of working as General Manager – Operations of a division and as Chief Executive of a division which has allowed him to have a deep insight into the intricacies of Company's business which is extremely useful in his current assignment. As Director – Finance, Mr. Curravala had the overall responsibility for the effective and efficient functioning of the Finance, Budget, MIS, Accounts and Taxation functions of the Company. He was responsible for formulating the policies, procedures and systems relating to Financial Accounting, Cost Accounting, Funds procurement and management, Budgeting, Management Information System and Taxation. He was responsible for all financial negotiations with banks, financial institutions and other external agencies. Management of working capital and appraisal of all capital expenditure proposals including their financial implications also formed part of Mr. Curravala's responsibility. He was responsible for ensuring availability of adequate funds for running the operations of the Company and also to ensure optimum utilization of all resources of the Company.

Considering the critical importance of finance function in the Company, Mr. Curravala was appointed a Wholetime Director of the Company designated as Director – Finance with effect from 11th August, 1989. Mr. Curravala was part of the top management team which formulated and implemented the turnaround strategy for the Company and put it back on the path of profitability.

Thereafter, the Board of Directors of the Company appointed him as Managing Director of the Company with effect from June, 1995 which position he has been holding at present.

(2) Past remuneration

	(₹ Lakhs)	
	<u>2016-2017</u>	<u>2017-2018</u>
Salary	54.00	58.80
Perquisites / Others	<u>26.10</u>	<u>40.85</u>
Total	<u>80.10</u>	<u>99.65</u>

(3) Recognition or awards : None

(4) Job profile and his suitability :

Mr. J. D. Curravala has been working as Managing Director of the Company since June, 1995 for nearly 23 years. Mr. Curravala has been responsible for restructuring the Company and conceiving and implementing the turnaround strategy which resulted in the Company emerging from loss to profitability. Having regard to the qualifications, experience of Mr. J.D. Curravala as stated under BACKGROUND DETAILS, the Board of Directors of the Company is of the opinion that Mr. Curravala will be eminently suitable to continue as Managing Director of the Company from 1st April, 2018 to 31st March, 2019.

(5) Remuneration proposed

- Salary** : ₹ 5,30,000/- per month in the scale of ₹ 2,00,000/- ₹ 7,00,000/- from 1st April, 2018 to 31st March, 2019 with an authority to the Nomination and Remuneration Committee and the Board of Directors to vary and/or fix in its absolute discretion the salary/perquisites payable to Mr. Curravala

within the limit specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any amendment or modifications or re-enactment thereof with subject to such other approvals (if any) as may be required in accordance with the provisions of sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 including amendment thereof.

- ii) **Commission** : In addition to the salary and perquisites, Mr. Curravala will be entitled to such commission based on the net profit of the company in any financial year not exceeding 1% of such profit as the Board on recommendation of the Nomination and Remuneration Committee shall decide having regard to the performance of the Company.

The above salary and Commission are subject to the limits specified in Schedule V of the Companies Act, 2013 and the Rules made thereunder or any modifications or re-enactment thereof.

- iii) Mr. Curravala will also be entitled to Provident Fund, Superannuation Fund and Gratuity in accordance with the Company's Scheme(s)/ Rule(s) applicable in this regard.

Such perquisites shall not be included in the computation of the ceiling on remuneration as aforesaid.

- (iv) Mr. Curravala will also be entitled to other benefits, amenities and facilities including medical allowance/ reimbursement in accordance with the Company's Scheme(s)/Rule(s) applicable in this regard.
- (v) Mr. Curravala will also be entitled to House Rent Allowance and Leave Travel Allowance as per the rules of the Company.
- (vi) Provision of cars for use on Company's business and telephones at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Curravala.
- (vii) Mr. Curravala shall be entitled to Earned/Privilege Leave as per rules of the Company. Leave accumulated and not availed of during his tenure in the service of the Company may be allowed to be encashed at the time of his retirement as per rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of perquisites.
- (viii) In the event of loss or inadequacy of profits in any financial year the minimum remuneration by way of total monthly remuneration as specified above payable to Mr. Curravala shall be the same and shall not exceed the limits prescribed as specified above under Schedule V of the Companies Act, 2013 and the Rules made thereunder or any statutory modification or re-enactment thereof.

Other terms and conditions are set out in the Agreement between Mr. J. D. Curravala and the Company.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person. (In case of expatriates the relevant details would be with respect to the country of his origin).

While approving the re-appointment and remuneration payable to the Managing Director, the Nomination and Remuneration Committee considered the challenges posed by the competitive environment prevailing in the country even during economic slowdown as also the paucity of availability of the senior managerial personnel at Board level and also the comparative remunerative progression of such personnel in the recent context.

The Committee considered the achievement of Mr. J. D. Curravala, Managing Director in turning around the Company from loss making to a profit making Company and responsibilities cast upon him for steering the Company in a competitive scenario. It may also be noted that the profile of the incumbent Managing Director is eminently suited to the overall profile of this position.

The Committee has also taken into account Schedule V of the Companies Act, 2013 due to absence of profit and remuneration which has been fixed based on the Schedule referred above. The Committee has taken into account, financial position of the company, trend in the industry, Mr. Curravala's qualification, experience, past performance, past remuneration, etc. and being in a position to bring about objectivity in determining the remuneration package, striking a balance between the interest of the company and the shareholders. The Committee felt it necessary to fix his remuneration within the statutory limit prescribed in Schedule V to the Companies Act, 2013.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

NIL

III. Other information :

- (1) Reasons of loss or inadequate profits

Due to recession in the industry in general and engineering/automobile industry in particular, coupled with high interest burden and high manpower costs resulted in accumulated losses which arose in the earlier years. Even though the Company has made profit in the last thirteen years, there has been inadequacy of profits.

- (2) Steps taken or proposed to be taken for improvement :

The Company has already taken appropriate steps to restructure its businesses in order to attain profitability. The Company has been consistently making profits since 2005-06. The Company has already achieved net profit of ₹ 628.09 lakhs for the year 2017-18.

GKW LIMITED

(3) Expected increase in productivity and profits in measurable terms :

The expected productivity and profits in measurable terms are as follows :

(₹ Lakhs)

	<u>2017-2018</u>	<u>2018-2019</u>
	Actual	Estimate
Total Income	1847	1960
PBDIT and OCI	925	937

Registered Office:

“Central Plaza”

2/6, Sarat Bose Road, Office Space No: 406,

4th Floor, Kolkata-700 020

Dated: 10th May, 2018

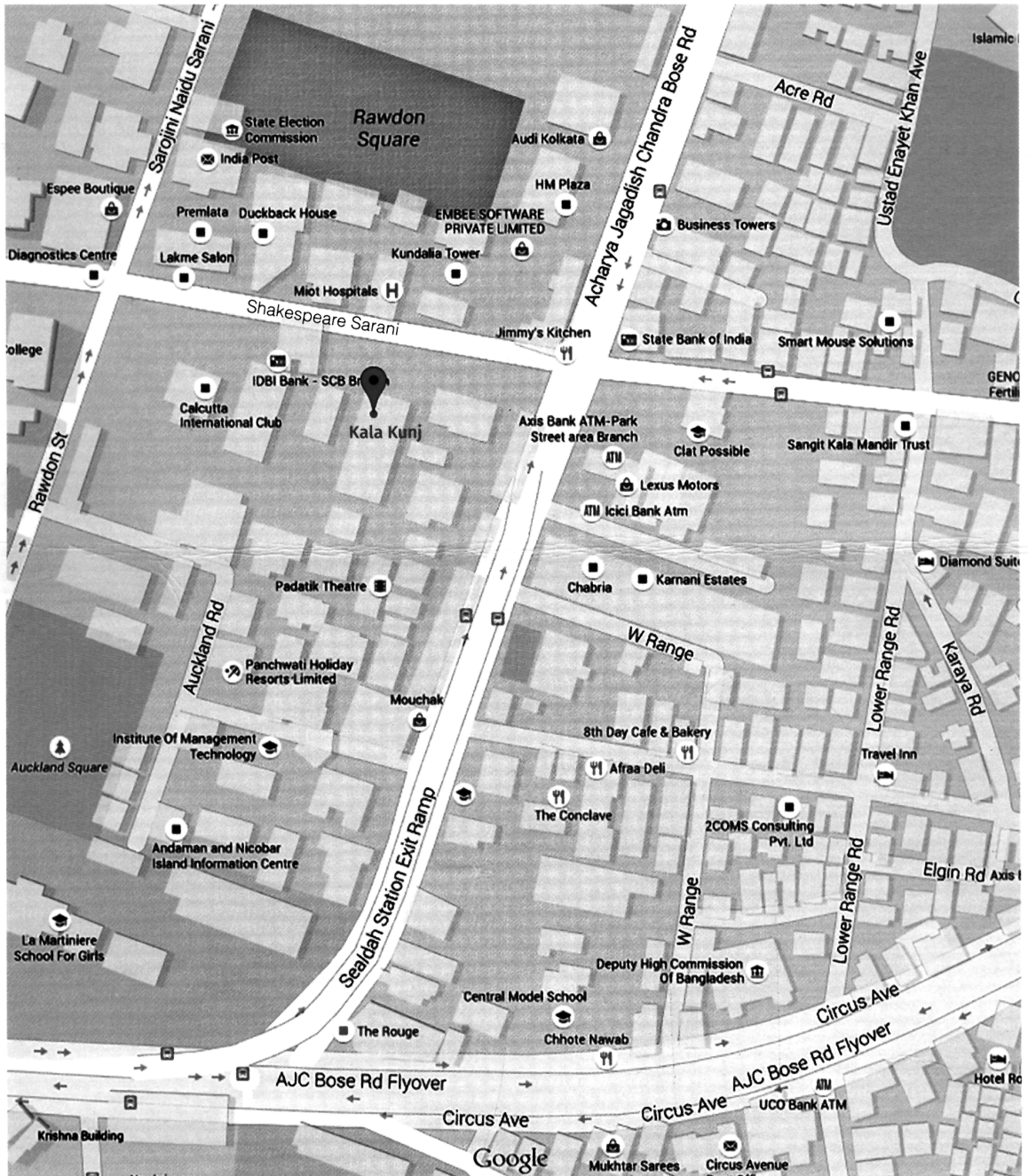
By Order of the Board

J. N. Ghosh

Vice President & Secretary

NOTES

Route map to the venue of the 88th AGM of GKW LIMITED



Kala Kunj
48, Shakespeare Sarani, Kolkata 700017