

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of GKW Limited

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying annual financial results of GKW Limited ("the Company") for the year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

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

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 4 to the Statement, which explains that the extent to which COVID-19 pandemic will impact the Company's operations and financial results is dependent on future developments, which are uncertain at this point of time.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Financial Results

This Statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



HARIBHAKTI & CO. LLP

Chartered Accountants

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

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

Other Matter

The Statement includes the results for the quarter ended March 31, 2020, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

M. Agarwal

Mahesh Agarwal

Partner

Membership No.: 067806

UDIN: 20067806AAAAAH7465



Place: Kolkata

Date: June 18, 2020

GKW LIMITED

Registered Office: "Central Plaza", 2/6, Sarat Bose Road, Office Space No: 406, 4th Floor, Kolkata - 700020

Phone no: 4008-0742/0744, Fax: 4008-0741, E-mail ID: gkwcal@rediffmail.com

Website: www.gkwtd.com, CIN: L27310WB1931PLC007026

EXTRACT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

(Rs in Lakhs)

Particulars	QUARTER ENDED			YEAR ENDED	
	31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Total Income from operations	(1,460.62)	668.06	698.99	1,146.21	3,072.15
Net Profit for the period before tax	(1,652.80)	444.78	427.61	153.72	2,034.80
Net Profit for the period after tax	(1,462.80)	402.52	454.84	261.91	1,988.08
Total Comprehensive Income for the period comprising of Profit for the period (after tax) and Other Comprehensive Income (after tax)	(8,556.18)	889.09	(11,910.08)	(12,593.75)	(9,279.59)
Paid-up Equity Share Capital (Face value Rs. 10/- per share)	596.65	596.65	596.65	596.65	596.65
Other Equity excluding Revaluation Reserves	-	-	-	15,444.87	28,038.62
Earnings per share - Basic & Diluted (in Rupees) (* not annualised) (Face value Rs. 10/- per share)	* (24.52)	* 6.75	* 7.62	4.39	33.32

Notes:

- The Audit Committee has reviewed the above results and the Board of Directors has approved the above results at its meeting held on 18th June, 2020 and the Statutory Auditors have audited the financial results for the quarter and year ended 31st March, 2020.
- Total Income from operations during the quarter under review was adversely affected mainly on account of recognition of unrealised loss of Rs 1979.52 Lakhs on fair valuation of current investments due to abnormal stock market conditions in the last week of March, 2020.
- The above is an extract of the detailed format of Standalone Financial Results for the quarter and year ended 31st March, 2020 filed with the National Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The full format of Standalone Audited Financial Results for the quarter and year ended 31st March, 2020 alongwith notes and Auditors' Report thereon are available on the National Stock Exchange website (www.nseindia.com) and on Company's website (www.gkwtd.com).

Place: Kolkata
Date: June 18, 2020



For and on behalf of the Board

J D Curavala

J D Curavala
(Non-Executive Chairman)
(DIN - 00277426)

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(Rs. in Lakhs)

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020					
Particulars	QUARTER ENDED			YEAR ENDED	
	31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019
	(Audited) (refer Note No. 5)	(Unaudited)	(Audited) (refer Note No. 5)	(Audited)	(Audited)
1. Income					
(a) Revenue from Operations (refer Note No. 2)	(1,496.44)	667.19	694.39	1,093.40	3,040.75
(b) Other Income	35.82	0.87	4.60	52.81	31.40
Total Income	(1,460.62)	668.06	698.99	1,146.21	3,072.15
2. Expenses					
(a) Employee Benefits Expense	36.18	66.88	126.46	368.24	452.62
(b) Finance Costs (refer Note No. 3)	4.61	4.84	-	19.77	-
(c) Depreciation and Amortisation Expense	28.45	28.75	16.72	109.29	56.21
(d) Other Expenses	122.94	122.81	128.20	495.19	528.52
Total Expenses	192.18	223.28	271.38	992.49	1,037.35
3. Profit/(Loss) Before Tax (1-2)	(1,652.80)	444.78	427.61	153.72	2,034.80
4. Tax expense :					
- Current Tax	(18.94)	18.94	16.99	-	70.81
- Deferred Tax	(171.06)	23.32	(44.22)	(108.19)	(24.09)
5. Profit/(Loss) After Tax (3-4)	(1,662.80)	402.52	454.84	261.91	1,988.08
6. Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
- Gains/(Losses) on Equity Instruments through Other Comprehensive Income	(7,040.00)	492.00	(12,338.00)	(12,786.00)	(11,168.00)
- Remeasurement Gains/(Losses) on Defined Benefit Plans	(73.96)	(7.52)	(37.29)	(96.51)	(138.09)
- Income Tax on Remeasurement Gains/(Losses), as above	20.58	2.09	10.37	26.85	38.42
Total Other Comprehensive Income (net of tax)	(7,093.38)	486.57	(12,364.92)	(12,855.66)	(11,267.67)
7. Total Comprehensive Income (5+6)	(8,556.18)	889.09	(11,910.08)	(12,593.75)	(9,279.59)
8. Paid-up Equity Share Capital (Face value Rs. 10/- per share)	596.65	596.65	596.65	596.65	596.65
9. Other Equity excluding Revaluation Reserves	-	-	-	15,444.87	28,038.62
10. Earnings per share - Basic & Diluted (in Rupees)					
(* not annualised) (Face value Rs. 10/- per share)	*24.52	*6.73	*7.62	4.39	33.32



GKW Limited
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(Rs. in Lakhs)

BALANCE SHEET		
Particulars	As at 31st March, 2020 (Audited)	As at 31st March, 2019 (Audited)
A. ASSETS		
1. Non-Current Assets		
(a) Property, Plant and Equipment	1,505.64	1,338.57
(b) Capital Work-in-Progress	138.85	27.28
(c) Intangible Assets	-	0.03
(d) Right-of-use Assets (refer Note No. 3)	124.87	-
(e) Financial Assets		
(i) Investments	5,090.00	17,876.00
(ii) Other Financial Assets	-	200.00
(f) Deferred Tax Assets (net)	1,014.42	879.38
(g) Other Non-Current Assets	46.42	71.09
(h) Non-Current Tax Assets (net)	150.84	44.43
Total Non-Current Assets	8,071.04	20,436.78
2. Current Assets		
(a) Financial Assets		
(i) Investments	7,817.18	9,430.48
(ii) Trade Receivables	-	17.67
(iii) Cash and Cash Equivalents	258.36	93.40
(iv) Other Bank Balances	1,148.25	125.83
(v) Loans	43.38	42.61
(vi) Other Financial Assets	54.78	30.77
(b) Other Current Assets	82.92	74.28
Total Current Assets	9,404.87	9,815.04
TOTAL ASSETS	17,475.91	30,251.82
B. EQUITY AND LIABILITIES		
1. EQUITY		
(a) Equity Share Capital	596.65	596.65
(b) Other Equity	15,444.87	28,038.62
Total Equity	16,041.52	28,635.27
2. Non-Current Liabilities		
(a) Financial Liabilities		
(i) Lease Liability (refer Note No. 3)	100.94	-
(ii) Lease Liability (refer Note No. 3)	29.81	21.33
(b) Provisions	3.32	-
(c) Other Non-current Liabilities	-	-
Total Non-Current Liabilities	134.07	21.33
3. Current Liabilities		
(a) Financial Liabilities		
(i) Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises	4.43	5.53
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3.81	1.72
(ii) Lease Liability (refer Note No. 3)	36.83	-
(iii) Other Financial Liabilities	779.74	827.38
(b) Other Current Liabilities	172.42	169.05
(c) Provisions	303.09	591.54
Total Current Liabilities	1,300.32	1,595.22
TOTAL EQUITY AND LIABILITIES	17,475.91	30,251.82



Signature

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(Rs. in Lakhs)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020			
Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
		(Audited)	(Audited)
A. Net Cash Flow from Operating Activities			
Profit before tax		153.72	2,034.80
Adjustments for:			
Depreciation and Amortisation Expense		109.29	56.21
Finance Costs (refer Note No. 3)		19.77	-
Sale of Scrap		(12.89)	(1.65)
Dividend income on Non-Current Investment		(1,480.00)	(1,280.00)
Profit/(Loss) on sale of Mutual Funds and Bonds (net)		2.85	3.08
Net (Gain)/Loss on fair valuation of Mutual Funds and Bonds		2,104.38	58.18
Financial Assets written off		2.55	-
Intangible Assets written off		0.03	-
Liability no longer required written back		(35.53)	(27.38)
Operating Profit before Working Capital Changes		864.17	843.24
Changes in Operating Assets and Liabilities			
(Increase)/Decrease in Trade Receivables		17.67	(2.53)
(Increase)/Decrease in Other Financial and Non-Financial Assets		188.70	(70.73)
Purchase of Mutual Funds and Bonds		(2,444.88)	(5,959.15)
Sale of Mutual Funds and Bonds		1,950.96	2,555.96
(Increase)/Decrease in Fixed Deposits in Other Bank Balances		(1,022.42)	1,727.81
Increase/(Decrease) in Trade Payables		0.99	2.54
Increase/(Decrease) in Other Financial and Non-Financial Liabilities		(381.91)	(72.23)
Cash from/(used in) Operations		(826.72)	(975.09)
Direct Taxes paid		(106.41)	(129.10)
Net Cash from/(used in) Operating Activities		(933.13)	(1,104.19)
B. Net Cash Flow from Investing Activities			
Purchase of Property, Plant and Equipment and Capital Work-in-Progress		(348.57)	(256.33)
Sale of Scrap		12.89	1.65
Dividend income on Non-Current Investment		1,480.00	1,280.00
Net Cash from/(used in) Investing Activities		1,144.32	1,025.32
C. Net Cash Flow from Financing Activities			
Payment of Lease Liability (refer Note No. 3)		(46.23)	-
Net Cash from/(used in) Financing Activities		(46.23)	-
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		164.96	(78.87)
Cash and Cash Equivalents at the beginning of the year		93.40	172.27
Cash and Cash Equivalents at the end of the year		258.36	93.40

Cash and Cash Equivalents at the end of the year comprises of:

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Cash on hand	2.91	0.62
Balance with Banks:		
- In Current Accounts	255.45	92.78
Total	258.36	93.40



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(Rs. in Lakhs)

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES					
Particulars	QUARTER ENDED			YEAR ENDED	
	31st March, 2020	31st December, 2019	31st March, 2019	31st March, 2020	31st March, 2019
	(Audited) (refer Note No. 5)	(Unaudited)	(Audited) (refer Note No. 5)	(Audited)	(Audited)
1. Segment Revenue					
a) Warehousing	217.84	243.79	312.61	1,020.77	1,208.61
b) Investment and Treasury (refer Note No. 2)	(1,714.28)	423.40	381.78	72.63	1,832.14
Revenue from Operations	(1,496.44)	667.19	694.39	1,093.40	3,040.75
2. Segment Results					
a) Warehousing	170.13	175.67	238.58	738.63	940.76
b) Investment and Treasury	(1,714.29)	421.28	381.78	70.50	1,832.12
Total	(1,544.16)	596.95	620.36	809.13	2,772.88
Less: (i) Finance Costs (refer Note No. 3)	(4.61)	(4.84)	-	(19.77)	-
(ii) Other unallocable expenditure (net of unallocable income)	(104.03)	(147.33)	(192.75)	(635.64)	(738.08)
Total Profit/(Loss) Before Tax	(1,652.80)	444.78	427.61	153.72	2,034.80
3. Segment Assets					
a) Warehousing	1,350.45	1,328.77	1,091.77	1,350.45	1,091.77
b) Investment and Treasury	14,099.12	22,979.88	27,649.25	14,099.12	27,649.25
c) Unallocated	2,026.34	1,794.39	1,510.80	2,026.34	1,510.80
Total Segment Assets	17,475.91	26,103.04	30,251.82	17,475.91	30,251.82
4. Segment Liabilities					
a) Warehousing	482.44	532.71	510.48	482.44	510.48
b) Unallocated	951.95	972.63	1,106.07	951.95	1,106.07
Total Segment Liabilities	1,434.39	1,505.34	1,616.55	1,434.39	1,616.55

Note:

- The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on June 18, 2020. The Statutory Auditors of the Company have audited the results for the quarter and year ended March 31, 2020.
- Revenue from Operations includes:
 - Loss on fair valuation of Current Investments amounting to Rs. 1979.52 lakhs and Rs. 2104.38 lakhs for the quarter ended March 31, 2020 and year ended March 31, 2020 respectively (Gain on fair valuation of Current Investments amounting to Rs. 222.83 lakhs for the corresponding quarter ended March 31, 2019 and Loss on fair valuation of Current Investments amounting to Rs. 58.18 lakhs for the previous year ended March 31, 2019; Gain on fair valuation of Current Investments amounting to Rs. 247.05 lakhs for the preceding quarter ended December 31, 2019).
 - Dividend Income on Non-Current Investment amounting to Rs. 80 lakhs and Rs. 1480 lakhs for the quarter ended March 31, 2020 and year ended March 31, 2020 respectively (Dividend Income on Non-Current Investment amounting to Rs. Nil for the corresponding quarter ended March 31, 2019 and Rs. 1280 lakhs for the previous year ended March 31, 2019; Dividend Income on Non-Current Investment amounting to Rs. Nil for the preceding quarter ended December 31, 2019).
- The Company has adopted Ind AS 116 "Leases" effective from April 1, 2019 which resulted in recognition of Right-of-use Assets and Lease Liability each amounting to Rs. 164.23 lakhs as at April 1, 2019. Accordingly, the comparative figures have not been retrospectively restated or adjusted. During the current year, the nature of expenses in respect of operating leases, where the Company is lessee, has changed from lease rent in previous year to depreciation cost for the Right-of-use Assets and Finance Costs for interest accrued on Lease Liability. Due to the adoption of Ind AS 116, the loss for the quarter ended March 31, 2020 has increased by Rs. 2.87 lakhs and the profit for the year ended March 31, 2020 has decreased by Rs. 12.89 lakhs.
- COVID-19, a global pandemic has affected the world economy including India leading to significant decline and volatility in financial markets and decline in economic activities. On March 24, 2020, the Indian Government announced a strict 21-day lock-down, which has been extended from time to time with or without relaxations across the country based on the severity of the spread at local levels. The extent to which the COVID-19 pandemic will impact the business operations and financial results of the Company and consequently the estimates and judgements made, could vary on future developments, which are uncertain at this point of time. However, the Company, based on current indicators of future economic conditions, has assessed that it will be able to recover the carrying amounts of its assets.
- The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the end of the third quarter of the respective financial year.
- Previous year/periods' figures have been rearranged/regrouped, wherever necessary, to make them comparable with those of the current year/period.

Place: Kolkata

Date: June 18, 2020



By Order of the Board

 J. D. Curavala
 (Non-Executive Chairman)