



**Mackinnon Mackenzie  
And Co. Limited**

**68<sup>th</sup>  
Annual Report  
2018 - 2019**

**68<sup>TH</sup> ANNUAL REPORT  
2018 - 2019**

**MACKINNON MACKENZIE AND CO. LIMITED**

**BOARD OF DIRECTORS**

Mr. S.V. Borate – Independent Director  
Mr. Abbas Lakdawalla – Non-Executive  
Non- Independent Director  
Ms. Hetal Parmar - Independent Woman Director

**MANAGER**

Mr. Ashok Joshi  
(Appointed w.e.f. 1st June 2019)

**BANKERS**

Bank of India  
Vijaya Bank

**AUDIT COMMITTEE**

Mr. S.V. Borate  
Mr. Abbas Lakdawalla  
Ms. Hetal Parmar

**NOMINATION & REMUNERATION  
COMMITTEE**

Mr. S.V. Borate  
Mr. Abbas Lakdawalla  
Ms. Hetal Parmar

**STAKEHOLDERS COMMITTEE**

Mr. S.V. Borate  
Mr. Abbas Lakdawalla  
Ms. Hetal Parmar

**ADVOCATES AND SOLICITORS**

Maneksha & Sethna, Mumbai

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**CHIEF FINANCIAL OFFICER**

Mr. R. Krishnaswamy  
(Appointed w.e.f. 1st June 2019)

**COMPANY SECRETARY**

CS Nidhi Shukla  
(Appointed w.e.f. 11th June 2019)

**REGISTERED OFFICE**

4, Shoorji Vallabhdas Marg,  
Ballard Estate, Mumbai-400001.  
CIN No: L63020MH1951PLC013745

**REGISTRAR AND  
SHARE TRANSFER AGENTS**

Satellite Corporate Services Pvt. Ltd.  
Address:  
Unit No. 49, Bldg No.13-A-B, 2nd Floor,  
Samhita Commercial Co-Op. Soc. Ltd.  
Off Andheri Kurla Road, MTNL Lane,  
Sakinaka, Mumbai - 400 072  
Phone No. : 022-28520461/62

**STATUTORY AUDITORS**

M/s. S. M. Bhingarde & Co.  
Chartered Accountants,  
Firm Registration No: 101418W  
Mumbai.

**68TH ANNUAL GENERAL MEETING**

On Friday, 27th September 2019 at 10.00 A.M.  
at Kanji Khetsi Bhatia Wadi,  
65, Mint Road, Fort,  
Mumbai- 400001

In view of the high cost of paper and printing, copies of the Annual Report will not be distributed at the Annual General Meeting. You are, therefore, requested to bring your copy of the Annual Report to the Meeting.

## NOTICE

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**NOTICE** is hereby given that the 68th Annual General Meeting of the Shareholders of Mackinnon Mackenzie and Co Limited will be held on Friday, the 27th September, 2019 at 10:00 a.m. at Kanji Khetsi Bhatia Wadi, 65, Mint Road, Fort, Mumbai- 400001, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2019 including the Audited Balance Sheet as at 31st March 2019, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon
2. To appoint a Director in place of Mr. Abbas Lakdawalla (DIN: - 00037416), a Director who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions of Companies Act 2013, the consent of members be and hereby accorded to Mr. Abbas Lakdawalla, Non-Executive Non-Independent Director of the Company who is also a qualified Company Secretary, to hold office and place of profit and to undertake various Statutory Compliances under Companies Act, 2013 at a Professional fees as determined mutually between Mr. Abbas Lakdawalla and the Company from time to time."

**"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to approve and revise all Professional fees payable to Mr. Abbas Lakdawalla from time to time as they may deem fit with mutual consent of Mr. Abbas Lakdawalla and the Company".

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

4. To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provision of Section 197 and 203 of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modification or re-enactment thereof for time being in force) consent of members be and is hereby accorded for payment of monthly remuneration of Rs. 40,000/-

plus perquisites and allowances, if any, to Mr. R Krishnaswamy, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company effective 1st June 2019."

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Board of Directors be and are hereby treat this as minimum remuneration authorized to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Mr. R Krishnaswamy within and in accordance with the Act or such other applicable provisions or any amendment thereto and, if necessary."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

5. To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provision of Section 197 and 203 of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modification or re-enactment thereof for time being in force) consent of members be and is hereby accorded for payment of monthly remuneration of Rs. 20,000/- plus perquisites and allowances, if any, to Mr. Ashok Joshi, Manager and Key Managerial Personnel (KMP) of the Company for period wef 1st June 2019."

**"RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period and further, the Board of Directors be and are hereby authorized to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Mr. Ashok Joshi within and in accordance with the Act or such other applicable provisions or any amendment thereto and, if necessary."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company."

By Order of the Board of Directors  
For **MACKINNON MACKENZIE AND CO. LIMITED**

**HETAL PARMAR**  
**INDEPENDENT WOMAN DIRECTOR**  
**DIN: 07723298**

Place: Mumbai

Dated: 4th September 2019

**NOTES:**

- 1) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and the reasons for the proposal is annexed herewith.
- 2) 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 the proxy need not be a member of the Company. The instrument appointing the proxy shall be received by the Company 48 hours before the commencement of the Meeting.
- 2) Members/Proxies should fill in the attendance slip for attending the Meeting.
- 3) A person can act as proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
- 4) Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- 5) Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their Folio No.
- 6) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- 7) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
- 8) Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company shall remain closed on all days from 20th September 2019 to 27th September 2019 (both inclusive).
- 9) The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members are requested to submit their PAN to the Company or Registrar and Transfer Agents. (Annexed to the Annual Report is the Letter for submitting the Copy of PAN and Bank Details).
- 10) As per the amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is mandatory to dematerialize for transfer of securities. The Company is in the process to Demat the Shares of the Company.
- 11) Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the company to keep the information ready.
- 12) Members are requested to notify/send the following to the Company's Registrar and Transfer Agents to facilitate better service:
  - i. Any change in their address and
  - ii. Share Certificate(s) held in multiple accounts in identical names or joint accounts in the same order of the names for consolidation of such holdings into one account.
- 13) Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH. 13 for this purpose.
- 14) Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with the Company's Registrar and Share Transfer Agents for receiving communication from the Company in electronic form.

**PROCESS FOR MEMBERS OPTING FOR REMOTE E-VOTING**

**Voting through electronic means**

**In case of members receiving e-mail:**

- i. The Company is providing e-voting facility through CDSL to transact all the Resolutions mentioned in the Notice of this Meeting pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder.
- ii. The voting period begins on Monday, 23rd September, 2019 at 10.00 a.m. and ends on Thursday, 26th September, 2019 at 5.00 p.m.(both inclusive). During this period, shareholder's of the Company, holding

shares as on the cut-off date (Record Date) i.e. Thursday, 19th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- iii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the Meeting venue.
- iv. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- v. Click on Shareholders.
- vi. Members should enter Folio Number registered with the Company.
- vii. Next enter the Image Verification as displayed and Click on Login.
- viii. If you are a first time user follow the steps given below:  
Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
  - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
  - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.  
eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members will then directly reach the Company selection screen. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For members, the details can be used only for E-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant MACKINNON MACKENZIE AND CO LIMITED on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be

displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out the print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. Shareholders can also cast their vote using CDSL's mobile app M-Voting available for android based mobiles. The M-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non-Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e other than individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF Format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Other Instructions:

1. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
2. The voting rights of Members shall be in proportion to the shares held by them on the paid up equity share capital of the Company as on Thursday, 19th September, 2019 and as per the Register of Members of the Company.
3. Mrs. Zeenat Lakdawala has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair

and transparent manner.

4. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses (not in the employment of the Company) and make out a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
5. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting as provided in clauses (a) to (h) of sub-rule (1) of Rule 21 of the Companies (Management and Administration) Rules, 2014, as applicable, with the assistance of scrutinizer, by use of polling paper for all those members who are present at the general meeting but have not casted their votes by availing the remote e-voting facility.
6. A Member can opt for only one mode of voting i.e either through e-voting or in physical form. If a Member casts his/her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
7. The results declared along with the Scrutinizer's Report shall be placed on the BSE's website, Company's website [www.mmclimited.net](http://www.mmclimited.net) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of Resolutions at the 68th AGM of the Company and communicated to BSE Limited, where the shares of the Company are listed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

**Item No 3:**

Mr. Abbas Lakdawalla, (DIN: 00037416) Non-Executive and Non-Independent Director is also a qualified Company Secretary with vast experience and knowledge in Company Laws. Your Board of Directors recommends to avail his expertise in the matter of Company Law and accordingly pay professional fees to him in the capacity of office and place of profit.

The payment of such remuneration is now being recommended for your approval for passing this Ordinary Resolution.

Except for Mr. Abbas Lakdawalla, none of the other Directors or their relatives are concerned or interested in the said Ordinary Resolution.

**Item No 4:**

Mr. R Krishnaswamy (PAN: AACPK1485F) was appointed as a Chief Financial Officer and Key Managerial Personnel (KMP) of the Company wef 1st June 2019 by the Board of Directors in their Meeting held on 30th May 2019.

In accordance to Section 197 and 203 of the Companies Act, 2013, the Board recommends on approving the remuneration payable to Mr. R Krishnaswamy as a Chief Financial Officer of the Company.

In the opinion of the Board, Mr. R Krishnaswamy fulfills the conditions for appointment as an Chief Financial Officer as specified in the Act and the SEBI Listing Regulations and is independent of the Management.

The Board recommends the resolution for approval of the Members and to be passed as Special Resolution.

None of the Directors or their relatives are concerned or interested in the said Special Resolution.

**Item No 5:**

Mr. Ashok Joshi (PAN: AABPJ2435K) was appointed as the Manager and Key Managerial Personnel (KMP) of the Company wef 1st June 2019 by the Board of Directors in their Meeting held on 30th May 2019.

In accordance to Section 197 and 203 of the Companies Act, 2013, the Board recommends on approving the remuneration payable to Mr. Ashok Joshi as the Manager of the Company.

In the opinion of the Board, Mr. Ashok Joshi fulfills the conditions for appointment as the Manager as specified in the Act and the SEBI Listing Regulations and is independent of the Management.

The Board recommends the resolution for approval of the Members and to be passed as Special Resolution.

None of the Directors or their relatives are concerned or interested in the said Special Resolution.

By Order of the Board of Directors  
For **MACKINNON MACKENZIE AND CO. LIMITED**

**HETAL PARMAR**  
**INDEPENDENT WOMAN DIRECTOR**  
**DIN: 07723298**

Place: Mumbai

Dated: 4th September 2019

## DIRECTOR'S REPORT

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To  
The Members,  
Mackinnon Mackenzie and Co. Limited

Your Directors present the 68th Annual Report on the business and operations of the Company with the Audited Accounts for the year ended 31st March 2019.

### 1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY:

Particulars	For the Year Ended 31.03.2019 (Rupees in Lacs)	For the Year Ended 31.03.2018 (Rupees in Lakhs)
Sales & other Income	27.52	47.49
Total Expense	73.83	62.90
Profit / (Loss) before Depreciation, Interest & Tax	(46.31)	(15.41)
Less: Depreciation	1.18	1.39
Interest	0.01	0.04
Profit/(loss) before Taxation	(46.32)	(15.41)
Less: Provision for taxation		
- Current Tax	--	--
- Deferred Tax	--	--
- Current Adjustments for Earlier year	--	2.79
Profit/(loss) after Tax	(46.32)	(18.20)
Balance b/f from previous year	(83708.75)	(83690.55)
Amount available for Appropriation	--	--
Appropriations:	--	--
Transfer to General Reserve	--	--
<b>Balance c/f to Balance sheet</b>	<b>(83708.75)</b>	<b>(83690.55)</b>

### 2. DIVIDEND:

In view of the accumulated losses, the Directors regret their inability to recommend any dividend for the year under consideration. No appropriations are proposed to be made for the year under consideration.

### 3. RESERVES:

The Company has not transferred any amount to Reserves for the period under review.

### 4. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF THE COMPANY'S AFFAIR:

The Company does not have any significant business activity except for rental income. The Company continues to reel under losses.

### 5. CHANGE IN NATURE OF BUSINESS, IF ANY:

There are no major changes in the business of the Company.

### 6. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

Your Directors report that recently the MM Employees Union had filed a petition for withdrawal of the



amount which the Company had deposited in 1996 as per Bombay High Court's order for payment to workmen as per Supreme Court Order of 25.02.2015.

**7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company has no Subsidiary/Associate Company or any Joint venture for the period under review.

**8. INVESTMENT IN JOINT VENTURE:**

Your Company has not made any Investment in Joint Venture.

**9. DEPOSITS:**

Your Company has not accepted Deposits from the public or its employees during the year under review. However, the Company was not in position to file E-Form DPT-3 since the Books of Accounts reflected various unclaimed security deposits and advances from customers which have remained outstanding since the records of such parties are not available with the Company and the same have been carried forward since many years. The Company is seeking a legal opinion in this matter of compliance of Deposit Rules under Companies Act, 2013.

**10. STATUTORY AUDITORS:**

The Members of the Company had, at the 66th Annual General Meeting (AGM) held on 28th September 2017 approved the appointment M/s. S. M. Bhingarde & Co, Chartered Accountants [ICAI Registration Number 101418W], as Statutory Auditors of the Company for a term of 5 years from the conclusion of the 66th AGM until the conclusion of 71st AGM held thereafter.

Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of Statutory Auditors by Members at each AGM has been done away with. Accordingly, no such item has been considered in Notice of the 68th AGM.

As required under Section 139 of Companies Act, 2013, the Company has obtained a written consent from the Statutory Auditors to their continued appointment and also a Certificate from them to the effect that their existing appointment is in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder.

**11. INTERNAL AUDITORS:**

Your Directors report that the Company was required to appoint an Internal Auditor as per Section 138 of Companies Act, 2013; however it has yet not been able to find the said Auditor to meet their requirements. The Company is still under the process of recruiting the same.

**12. SECRETARIAL AUDIT REPORT:**

The Secretarial Audit Report has been issued by CS Abbas Lakdawalla, Practicing Company Secretary after examining the registers, records, books and accounts for the year ended 31st March 2019. The Secretarial Audit Report forms a part of this Report as Annexure I.

The said Report contains the following qualifications:

- (a) As required under Section 138 of the Companies Act, 2013 Company has failed to appoint Internal Auditor in the Company.
- (b) The Company has not maintained all Statutory Registers in new format as prescribed under Companies Act 2013.
- (c) The Company has failed to Demat its Equity Shares.
- (d) The Company has various cases pending under Foreign Exchange Management Act, 1999 which are pending for final orders.
- (e) The Company has pending case in the matter of Labour case as directed by the Hon. Supreme Court.



- 
- (f) As required under the Listing Regulations Company has failed to issue and circulate Corporate Governance Report.
- (g) Company has failed to publish its quarterly financial results in newspapers including various other requirements as required under Listing Regulations.
- (h) Company's Script remains to be suspended from BSE.
- (i) Company has been arrears for Listing fees with Bombay Stock Exchange, Delhi Stock Exchange and Kolkata Stock Exchange including defaults in filing of reports.
- (j) Company has failed to publish Board Meeting Notice in newspapers as per Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Your Directors report that due to Financial losses, the Company was unable to comply with all the above Compliances. However, the Board of Directors have spared no efforts and have complied with major requirements in the given constraint circumstances.

**13. WEBSITE POSTING:**

As per the various Sections of the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and Secretarial Standard – 2, the Company is required to post various policies on the website of the Company. Your Directors report that, the Company has posted following policies on the website:

- Code of Conduct
- Policy on Related Party
- Risk Management Policy
- Terms & Conditions of Independent Director
- Whistle Blower Policy

Website: <http://www.mmclimited.net/>

**14. AUDITORS' REPORT:**

With reference to the comments contained in Auditors' Report, the position has been explained in the Notes to the Financial Statements are self-explanatory. Information Pursuant to Section 134 of the Company's Act, 2013 is given in notes to Financial Statements with Balance Sheet and Profit and Loss Statement.

**15. SHARE CAPITAL:**

During the year under review, the Authorised and Paid up Capital of your Company has remained unchanged.

**16. EXTRACTS OF THE ANNUAL RETURN:**

The Annual Return for the FY 2017-18 of the Company has been placed on the website of the Company. The Extract of the Annual Return for the FY 2018-19 forms a part of this Report as Annexure II.

**17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company does not have activities related to conservation of energy and technology absorption. During the year foreign exchange out go was Nil. The foreign exchange earned during the year was Rs. 80,200/-.

**18. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

During the year under review, the Company has appointed the following Key Managerial Personnels:

- Mr. Ashok Joshi as the Manager of the Company w.e.f. 1st June 2019;
- Mr. R. Krishnaswamy as the Chief Financial Officer of the Company w.e.f. 1st June 2019 and

- 
- Ms. Nidhi Shukla as the Whole Time Company Secretary of the Company w.e.f. 11th June 2019.

**19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

During the year 5 Board Meetings were convened and held as follows:

- 25th May 2018;
- 3rd August 2018
- 20th August 2018;
- 26th October 2018;
- 8th February 2019.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**20. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:**

The policy is to have an appropriate mix of Executive and Independent Directors to maintain the Independence of the Board and separate its functions of governance and management. However, currently the Company does not have any Executive Directors.

The Board periodically evaluates the need for changes in its composition and size as per the requirements of various Sections of the Companies Act, 2013.

**21. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary Declaration from both the Independent Directors under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

**22. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:**

The Company has received Certificate of Non-Disqualification of Directors pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Certificate forms a part of this Report as Annexure III.

**23. ANNUAL BOARD EVALUATION:**

According to Regulation of 25(3) of the SEBI (LODR) Regulations, 2015 and Circular issued by SEBI on Guidance Note on Board Evaluation dated 5th January 2017, a Meeting of the Independent Directors was held on 8th February 2019 to evaluate the performance of the Board.

Your Directors report that, the Independent Directors evaluated the performance of the senior executives during the year under review.

**24. SECRETARIAL STANDARDS:**

The Company has adopted all the Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) and accordingly has complied with all the Secretarial Standards, subject to disqualification as per Secretarial Auditor.

**25. RE-APPOINTMENT OF DIRECTORS:**

The Company's Board of Directors consists of two Non-Executive Independent Directors, who are not liable to retire by rotation and one Non-Executive Non-Independent Director.

**25. COMMITTEES OF BOARD:**

<b>NAME OF COMMITTEE</b>	<b>COMPOSITION</b>	<b>HIGHLIGHTS OF DUTIES, RESPONSIBILITIES AND ACTIVITIES</b>
Audit Committee	Mr. Sampat Borate (Chairman and Independent Director) Mr. Abbas Lakdawalla (Non-Independent Director) Ms. Hetal Parmar (Independent Woman Director)	Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.  To approve and recommend to the Board the Financial Results of the Company and also to recommend the appointment, remuneration and terms of appointment of Statutory Auditors of the Company.
Nomination and Remuneration Committee	Mr. Abbas Lakdawalla (Chairman and Non-Independent Director) Mr. Sampat Borate (Independent Director) Ms. Hetal Parmar (Independent Woman Director)	Since there are no Executive Directors, hence the Committee has a limited role to play. However the Committee meets and explores the option of appointing the Key Managerial Personnel as required u/s 203 of Companies Act, 2013.
Stakeholders Committee	Mr. Sampat Borate (Chairman and Independent Director) Mr. Abbas Lakdawalla (Non-Independent Director) Ms. Hetal Parmar (Independent Woman Director)	To approve the transfer and transmission of shares of the Company and approve the issue of the duplicate share certificate.  To review the Investor Complaints and to consider and resolve the grievances of shareholders of the company.  To oversee the working of the Registrar and Share Transfer Agents as appointed by the Company.

**26. REGISTRAR AND SHARE TRANSFER AGENT**

The Company has appointed Satellite Corporate Services Private Limited as its Registrar and Share Transfer Agents. Shareholders are advised to approach it on the following address for any shares related queries and issues:

**Satellite Corporate Services Private Limited**

Unit No. 49, Bldg No.13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd., Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400 072. Ph: No. 022 28520461/462. Fax: 022 28511809. Website:www.satellitecorporate.com, email : service@satellitecorporate.com

**27. INTERNAL CONTROL SYSTEMS**

The Company has adopted adequate Internal Financial Control System to ensure compliance with policies and procedures. The internal financial controls within the Company are commensurate with the size, scale

and complexity of its operations.

**29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Since there are no women employees in the Company, hence no comments.

**30. VIGIL MECHANISM:**

The Company has a competent vigil mechanism for monitoring any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. Vigil mechanism has been established for Directors and employees to report genuine concerns. The vigil mechanism provide for adequate safeguards against victimization of person who use such mechanism.

**31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

During the year under review, the Company has not given any Loans, Guarantees or made Investments as covered under Section 186 of the Companies Act,2013.

**32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year, the Company has entered into Related Party Transactions under Section 188 of the Companies Act, 2013. The said transactions entered into by the Company are in Ordinary Course of Business and on Arm's Length Basis. The disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 forms a part of this Report as Annexure IV.

Further the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

**33. MANAGERIAL REMUNERATION:**

During the period, the Company has not paid any remuneration to the Non-Executive Directors.

**34. PARTICULARS OF EMPLOYEES:**

The Company has no Employee drawing remuneration exceeding the limits laid down under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**35. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

In view of the carry forward losses, the criteria prescribed for the applicability of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 is not applicable to the Company.

**36. BUSINESS RISK MANAGEMENT:**

Since the Company does not have any significant business activities, hence the Business Risk is at the Minimal Level. Hence, no major risk factors are envisaged except for

- a. Government Policies
- b. Human Resource Risk

**37. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall 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 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

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at the end of the financial year and of the profit and loss of the company for that period;

- (c) 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 annual accounts on a going concern basis; and
- (e) 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.

**38. ACKNOWLEDGEMENTS:**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to sustain itself.

**Place: Mumbai**

**Dated: 4th September 2019**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
**SAMPAT BORATE**  
**CHAIRMAN**  
**DIN: 06929702**

**ANNEXURE 'I' TO BOARD'S REPORT**  
**FORM MR-3**

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**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019**

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

TO THE MEMBERS OF M/s. MACKINNON MACKENZIE & CO LIMITED  
4 Shoorji Vallabhdas Marg Ballard Estate, Mumbai-400001.

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by MACKINNON MACKENZIE AND CO LIMITED (hereinafter called the Company) for the audit period covering the Financial Year ended 31st March, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, Minutes Books, forms and returns filed and other records maintained by the Company and also the information provided, its officers, agents and authorised 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 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the Books, papers, Minute books, Forms and returns filed and other records maintained by MACKINNON MACKENZIE AND CO LIMITED ("The Company") for the period ended on 31st March 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company Requirements.
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during Audit Period).
  - (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; (Not Applicable as the Company has not issued further capital during the Financial Year under review).
  - (d) 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; (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the Financial Year under review).
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
  - (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during Audit Period).
  - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during Audit Period).
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during Audit Period).
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during Audit Period).
  - (vi) Any other Applicable laws:
    - (a) The Industrial Dispute Act, 1947 - to the extent that termination dues of workmen after closure are yet to be paid.
    - (b) Merchant Shipping Act, 1958 and the other Acts as prescribed by the Directorate General of Shipping under Ministry of Shipping, Government of India.
    - (c) The Payment of Wages Act, 1936
    - (d) The Minimum Wages Act, 1948

- (e) The Employees State Insurance Act ,1948
- (f) The Employees' Provident Fund and Miscellaneous Provision Act, 1952
- (g) The Payment of bonus Act,1965
- (h) The Payment of Gratuity Act, 1972
- (i) The Industrial Employment (Standing Orders) Act, 1946
- (j) The Employees' Compensation Act 1923 (earlier known as Workman's Compensation Act 1923)
- (k) The Equal Remuneration Act, 1976
- (l) The Employment Exchange (Compulsory Notification of Vacancies Act),1956
- (m) The Indian Ports Act, 1908 (15 of 1908)
- (n) The MPT Act, 1963 (38 of 1963)
- (o) The Inland Vessels Act, 1917 (1 of 1917)
- (p) The Coasting Vessels Act, 1838
- (q) Merchant Shipping Act, 1958
- (r) Port Entry Rules 2012
- (s) Seamen's Provident Fund Act
- (t) Lighthouse Act, 1927
- (u) The Dock Workers (Regulation of Employment) Act, 1948 (9 of 1948)
- (v) Major Ports Regulatory Authority Bill, 2009
- (w) The Merchant Shipping (Form of Certificate of Insurance for Civil Liability for Oil Pollution Damage) Rules, 1985.

During the period under review, provisions of the following regulations were not applicable to the Company:

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Further, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following qualifications:
- (a) As required under Section 138 of the Companies Act, 2013, the Company has failed to appoint Internal Auditor in the Company.
  - (b) The Company has not maintained all Statutory Registers in new format as prescribed under Companies Act 2013.
  - (c) The Company has failed to Demat its Equity Shares.
  - (d) The Company has various cases pending under Foreign Exchange Management Act, 1999 which are pending for final orders.
  - (e) The Supreme Court passed Order against the Company in the matter of labour Case for which company has submitted compliance report as directed by the Hon. Supreme Court.
  - (f) As required under the Listing Regulations, Company has failed to issue and circulate Corporate Governance Report.
  - (g) Company has failed to publish its quarterly financial results in newspaper including various other requirements as required under SEBI(Listing Obligations and Disclosure Requirements), 2015.
  - (h) Company has failed to file details of Significant Beneficial Owners in Form BEN-2 with the Registrar of Companies.
  - (i) Company has failed to file the information relating to the Deposits and Exempted Deposits as per the prescribed Section and Rule of Companies Act, 2013.



- (j) Company's Script remains to be suspended from BSE.
- (k) Company has been arrears for Listing fees with Bombay Stock Exchange, Delhi Stock Exchange and Kolkata Stock Exchange including defaults in filing of reports.
- (l) Company has failed to publish Board Meeting Notice in newspaper as per Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

The other laws as may be applicable specifically to the Company which are mentioned in clause (vi) under any other laws, I hereby report that it's based on the information provided by the Management and Board of Directors of the Company. Further, as declared by the Management, there were no other general laws applicable to the Company since it has suspended all its business activities.

I further report that:

The Board of Directors of the Company consists of two Non-Executive Independent Directors and one Non-Executive Non-Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all Directors to schedule the Board Meetings, 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.

As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous hence, no dissenting views have been recorded.

I further report that:

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has not passed any Special/ Ordinary Resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

I further report that during the audit period, there were no instances of:

1. Public/Right/Preferential Issue of Shares/Debentures/Sweat Equity ,etc
2. Redemption/Buy Back of Securities.
3. Merger/Amalgamation/Reconstruction.etc
4. Foreign technical Collaborations

I further report that during the audit period the instances of violations and non compliances mentioned above may result in attracting penal provisions which are severe in nature and for the company there is a contingency that it may have to pay penalties.

**Place: Mumbai**

**Dated: 4th September 2019**

**ABBAS LAKDAWALLA**  
**Practicing Company Secretary**  
**FCS : 2988 CP NO: 4052**

*This report is to be read with our letter of even date which is annexed as 'Annexure A' which forms an integral part of this report.*

**Annexure A**

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To,  
The Members Of,  
**MACKINNON MACKENZIE AND CO LIMITED**  
4 Shoorji Vallabhdas Marg Ballard Estate, Mumbai-400001

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure the correct facts as reflected in Secretarial records. I believe that the processes and practices, I have followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai**  
**Dated: 4th September 2019**

**ABBAS LAKDAWALLA**  
**Practicing Company Secretary**  
**FCS : 2988 CP NO: 4052**

**ANNEXURE II – Extract of Annual Return (Form No. MGT-9)**

For the year ended on 31st March 2019  
[Pursuant to Section 92(3) of the Companies Act 2013 and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

(i)	CIN	L63020MH1951PLC013745
(ii)	Name of the Company	MACKINNON MACKENZIE AND CO LIMITED
(iii)	Registration Date	30/03/1951
(iv)	Category/Sub-Category	Company limited by Shares/Non-govt company
(v)	Address of the Registered office and contact details	4 SHOORJI VALLABHDAS MARGBALLARD ESTATE MUMBAI Mumbai City MH 400001 IN Email: mmcladv@yahoo.co.in Tel. No. : 022-22612111
(vi)	Website	http://www.mmclimited.net/
(vii)	Whether listed Company or not Yes/ No	YES
(viii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any:	SATELLITE CORPORATE SERVICES PVT. LTD. Unit No. 49, Bldg No.13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd., Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400 072 Ph. No: 022 28520461/462 Email:service@satellitecorporate.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products/ services	NIC Code of the Product or Service	% to total turnover of the Company
1	Commissions and Rental Incomes	52292	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr No.	Name and Address of Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held by the Company/ Subsidiary Company/ Associate Company	Applicable Section
<b>NIL</b>					

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A) PROMOTERS</b>									
<b>1. Indian</b>									
a) Individual / HUF									
b) Central Govt									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
<b>2. Foreign</b>									
a) NRI-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any other									
<b>Total Shareholding of Promoter (A)</b>									
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI	--	19,780	19,780	8.00	--	19,780	19,780	8.00	No Change
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	--	25,880	25,880	10.47	--	25,880	25,880	10.47	No Change
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian		1,32,285	1,32,285	53.51		1,32,285	1,32,285	53.51	No Change
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh		69,277	69,277	28.02		69,277	69,277	28.02	No Change

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
<b>Total Public Shareholding (B)</b>		2,01,562	2,01,562	81.53		2,01,562	2,01,562	81.53	No Change
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>		<b>2,47,222</b>	<b>2,47,222</b>	<b>100</b>		<b>2,47,222</b>	<b>2,47,222</b>	<b>100</b>	<b>No Change</b>

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	

**C) Change in Promoters' Shareholding** (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

Not Applicable

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Zodiac Holdings & Trading Co.Ltd.				
	At the beginning of the year	25,000	10.11	25,000	10.11
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	25,000	10.11	25,000	10.11
2]	Elaster Investments & Trading Co.Ltd.				
	At the beginning of the year	25,000	10.11	25,000	10.11
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	25,000	10.11	25,000	10.11
3]	Belmount Holding & Trading Co. Ltd.				
	At the beginning of the year	25,000	10.11	25,000	10.11
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	25,000	10.11	25,000	10.11
4]	Abad Transport Private Ltd.				
	At the beginning of the year	25,000	10.11	25,000	10.11
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	25,000	10.11	25,000	10.11

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5]	Mackinnons Abad Shipping Ltd.				
	At the beginning of the year	19,225	7.78	19,225	7.78
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	19,225	7.78	19,225	7.78
6]	Life Insurance Corporation				
	At the beginning of the year	10,000	4.04	10,000	4.04
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	10,000	4.04	10,000	4.04
7]	Ganges Lines (India) Private Limited				
	At the beginning of the year	9,890	4.00	9,890	4.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	9,890	4.00	9,890	4.00
8]	Bank of India				
	At the beginning of the year	8,170	3.30	8,170	3.30
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	8,170	3.30	8,170	3.30
9]	United Bank of India				
	At the beginning of the year	6,810	2.75	6,810	2.75
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	6,810	2.75	6,810	2.75
10]	United India Insurance				
	At the beginning of the year	5,445	2.20	5,445	2.20
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	5,445	2.20	5,445	2.20



E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

Not Applicable

F) **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	8,25,61,29,338	-	-	8,25,61,29,338
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	8,25,61,29,338	-	-	8,25,61,29,338
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
<b>Indebtedness at the end of the financial year</b>	8,25,61,29,338	-	-	8,25,61,29,338
i) Principal Amount	8,25,61,29,338	-	-	8,25,61,29,338
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	8,25,61,29,338	-	-	8,25,61,29,338

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	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) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

Not Applicable

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		----	----	---	
1	Independent Directors	Abbas Lakdawalla	S.V. Borate	Hetal Parmar	
	Fee for attending board meetings	1000	1250	1250	3500
	Commission				
	Others, please specify				
	Total (1)	1000	1250	1250	3500
2	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)	1000	1250	1250	3500
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
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) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

Not Applicable

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

NONE

Place: Mumbai

Dated: 4th September 2019

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
SAMPAT BORATE  
CHAIRMAN  
DIN: 06929702

**ANNEXURE 'III' TO BOARD'S REPORT**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
MACKINNON MACKENZIE AND CO LIMITED  
4 Shoorji Vallabhdas Marg  
Ballard Estate  
Mumbai 400001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MACKINNON MACKENZIE AND CO LIMITED having CIN L63020MH1951PLC013745 and having its Registered Office at 4 Shoorji Vallabhdas Marg, Ballard Estate, Mumbai 400001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai**  
**Dated: 4th September 2019**

**ABBAS LAKDAWALLA**  
**PRACTICING COMPANY SECRETARY**  
**FCS: 2988 CP: 4052**

**ANNEXURE 'IV' TO BOARD'S REPORT**  
**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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil
2. Details of contracts or arrangements or transactions at Arm's length basis:

Sr. No	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board
1.	Mr. Abbas Lakdawalla (Non-Executive Non-Independent Director)	Office and Place of Profit	As per Arrangement for payment of Professional Fees	Rs. 37,250/-	Not Applicable as it is in Ordinary Course of Business and at Arms' Length

**Place: Mumbai**

**Dated: 4th September 2019**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
**SAMPAT BORATE**  
**CHAIRMAN**  
**DIN: 06929702**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF MACKINNON MACKENZIE AND COMPANY LIMITED**

#### **Report on the audit of Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial Statements of **MACKINNON MACKENZIE & COMPANY LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of change in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

##### **Qualified Opinion**

As mentioned in Note 14 of the financial statements the Company's bankers had filed suit in Bombay High Court for recovery of loans which were transferred to the Debt Recovery Tribunal. The bankers have assigned entire debt due to them to a Company and suit filed by these banks have been transferred back to Bombay High Court. Suits are for recovery of Rs.61,66,05,621/- outstanding as on 31st March 1991. However loans along with interest accrued and due to the Company which has taken over the Debt as per the terms of loans and subsequent understanding with the Company amounting to Rs 8,256,129,338 are outstanding as on 31st March 2019. The Hon. Bombay High Court has passed a decree in favour of the said company in respect of two suits to dispose off/sell the immovable property and flats belonging to the company to recover its dues of Rs 702.79 crores together with interest. Total amount due to the company as per the decree together with interest in respect of the two suits is Rs 2399.62 crores as on 31st March 2019. No provision is made in respect of additional amount due to the company as per decree amounting to Rs1637.62 .crores.

As mentioned in Note 25 and 26 of the financial statements 60 Clerical workers and 35 subordinate staff were retrenched on 4th August 1992 under the Industrial Dispute Act at Mumbai. Each one was paid 15 days wages as per completed year of service and one months pay in addition to other dues. The Industrial Court had given a judgment against the company against which the company had filed an appeal before the Hon. Bombay High Court, which too was decided against the company. The Hon. Supreme Court has dismissed the appeal of the company filed against the order of the Hon. Bombay High Court and has directed the company to comply with the conditions of the award passed by the Industrial Court. The Hon. Supreme Court has dismissed the review and curative petition filed by the company against the said order. The company has filed a compliance report as required by the order passed by the Hon. Supreme Court. No further orders have been passed on this. No provision has been made in respect of dues to 7 (Seven) workers amounting to Rs.91.83 lakhs plus interest upto 31st March 2019 to the retrenched staff as per the order of the Hon. Supreme Court. In so far as the balance 88 workers are concerned, the company has pleaded non- applicability.

We draw attention to Note 30 in the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Also, following point may be included in Report on Other Legal and Regulatory requirements paragraph.

As required by Section 143(3) of the Act, we report that: (f) The going concern matter described in material uncertainty related to going concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

As mentioned in Note 11 of the financial statements Loans and Advances includes certain old balances amounting to Rs 8,18,785 for which no provision for doubtful items if any has been made in the accounts pending review confirmation of the same.

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As mentioned in Note 17 of the financial statements Trade Payables include an amount of Rs.26,51,925/- which represent old balances for which no write back has been made in the accounts pending the review/ confirmation of the same. .

As mentioned in Note 18 of the financial statements certain old credit balances outstanding in various accounts amounting to Rs.1,48,52,774 for which no write back has been made in accounts pending the review /confirmation of the same.

As mentioned in Note 25 of the financial statements provision for accrued liability for the year in respect of gratuity and long term compensated absences has been made on arithmetical basis instead of based on actuarial valuation as required by Accounting Standard -15 "Employee Benefits" (the Standard). The effect on the Profit & Loss Account for the year had the Company determined the accrued liability for gratuity and long term compensated absences based on actuarial valuation has not been ascertained. Accordingly, the disclosure requirement regarding the actuarial assumptions used for actuarial valuation is not complied with. Further, the transitional liability/gain as at April 1, 2007, which is required to be determined in terms of the transitional provisions of the Standard, has not been ascertained and accounted for.

As mentioned in Note 4 (c) of the financial statements, the investments made at Kolkata Rs 56000/- are presently not available for verification as the building is destroyed by fire.

As mentioned in Note 31 of the financial statements non-availability of confirmations in respect of balances of secured and unsecured loans, debtors, certain bank balances, deposits, and creditors appearing in Schedule 4, 7, 8, 9, 14, 17 and 18 of the accounts respectively.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we have provide a separate qualified opinion on these matters.

#### **Other Information**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report on Corporate Governance, Shareholder information and Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements, and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise, appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company, in accordance with the Ind AS and other accounting principles generally accepted in India. 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibility for the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements, as a whole, are free from



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

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 standalone financial statements, 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 financial controls 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 an adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. 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.

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- (c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, Cash Flow Statement and Statement of Change in Equity, dealt with by this Report, are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does have pending litigations which would impact its financial position which are as follows:
    - a. The Company's bankers had filed suit in Bombay High Court for recovery of loans which were transferred to the Debt Recovery Tribunal. The bankers have assigned entire debt due to them to a Company and suit filed by these banks have been transferred back to Bombay High Court. Suits are for recovery of Rs.61,66,05,621/- outstanding as on 31st March 1991. However loans along with interest accrued and due to the Company which has taken over the Debt as per the terms of loans and subsequent understanding with the Company amounting to Rs 8,256,129,338 are outstanding as on 31st March 2019. The Hon. Bombay High Court has passed a decree in favour of the said company in respect of two suits to dispose off/sell the immovable property and flats belonging to the company to recover its dues of Rs 702.79 crores together with interest. Total amount due to the company as per the decree together with interest in respect of the two suits is Rs 2399.62 crores as on 31st March 2019.
    - b. 60 Clerical workers and 35 subordinate staff were retrenched on 4th August 1992 under the Industrial Dispute Act at Mumbai. Each one was paid 15 days wages as per completed year of service and one months pay in addition to other dues. The Industrial Court had given a judgment against the company against which the company had filed an appeal before the Hon. Bombay High Court, which too was decided against the company. The Hon. Supreme Court has dismissed the appeal of the company filed against the order of the Hon. Bombay High Court and has directed the company to comply with the conditions of the award passed the Industrial Court. The Hon. Supreme Court has dismissed the review and curative petition filed by the company against the said order. The company has filed a compliance report as required by the order passed by the Hon. Supreme Court. No further orders have been passed on this. In so far as the balance 88 workers are concerned, the company has pleaded non- applicability.
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. With respect to the matter to be included in the Auditor's Report under section 197(16) as the company has not paid any remuneration to its Director during the current year, the said clause is not applicable.
3. 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 Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order.

**For S.M. Bhingarde & Co.**

Chartered Accountants

Firm's Registration Number: 101418W

**S.M. Bhingarde**

Proprietor

Membership Number: 40170

UDIN 19040170AAAAAM5417

Place: Mumbai

Date : 4th September 2019

**ANNEXURE A - TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON  
THE STANDALONE FINANCIAL STATEMENTS OF MACKINNON MACKENZIE & CO LIMITED**

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**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 Mackinnon Mackenzie & Co Limited ("the Company") as at March 31, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting, issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was 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 standalone 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 standalone 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 unauthorized 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 control 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, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S.M. Bhingarde & Co.**

Chartered Accountants

Firm's Registration Number: 101418W

**S.M. Bhingarde**

Proprietor

Membership Number: 40170

UDIN 19040170AAAAAM5417

Place: Mumbai

Date : 4th September 2019

**ANNEXURE B - TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF MACKINNON MACKENZIE AND CO. LIMITED**

(Referred to in Paragraph 3 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment (PPE).
- (b) The Company has a program of verification to cover all the items of fixed assets in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain PPE were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the records provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable property of land and building taken on lease and disclosed in PPE in the standalone financial statements we have relied on the copy of the letter issued by the Bombay Port Trust approving the assignment as the original letter is not in possession of the company. The ground lease of the premises of the company has expired on 22nd May 2017. The company has made an application for renewal of the lease.
- ii. As the company is carrying on agency business paragraph 3(ii) of the order is not applicable.
- iii. According to the information and explanations given to us, 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 Companies Act, 2013 (the "Act"). Consequently, sub-clauses (a), (b) & (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made. The Company has not granted any loans or provided guarantees and securities. Consequently, clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year. Consequently, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company, pursuant to the Companies (Cost Records and Audit) Rules, 2014, as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of account, in respect of statutory dues:
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they became payable.
  - (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of income tax, service tax as 31st March 2019 which have not been deposited on account of any dispute pending, are as under:

Name of the Statute	Nature of Dues	Relevant Financial Year	Amount ( Rs)	Forum where dispute is pending
Foreign Exchange Regulation Act	Fine for alleged violation of Foreign Exchange Regulation Act by the company and its officer.	1979	10,02,97,000	Foreign Exchange Appellate Tribunal has allowed companies appeal against which the concerned government department has filed an appeal with the High Court of Bombay.

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Except for the above, there are no dues in respect of Income-tax, Customs Duty, Goods and Service Tax, and Cess, which have not been deposited with the appropriate authorities on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedure performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and Term Loans.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. As the company has not paid any Managerial Remuneration during the year, provisions of paragraph 3(xi) of the Order are not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Consequently, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, and corresponding details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Consequently, requirement under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable. Consequently, requirement under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. To the best of our knowledge and belief, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S.M. Bhingarde & Co.**

Chartered Accountants

Firm's Registration Number: 101418W

**S.M. Bhingarde**

Proprietor

Membership Number: 40170

UDIN 19040170AAAAAM5417

Place: Mumbai

Date : 4th September 2019

**BALANCE SHEET AS AT MARCH 31, 2019**

	Note	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>I NON-CURRENT ASSETS</b>			
(a)	3	13,39,858	14,58,375
(b)			
i)	4	3,07,120	3,07,120
(c)	5	-	50,201
(d)	6	-	-
		16,46,978	18,15,696
<b>Current Assets</b>			
(a)			
i)	7	5,02,16,768	4,96,73,532
ii)	8	6,87,376	3,54,087
iii)	9	24,000	24,000
v)	10	1,02,28,969	97,61,014
(b)	11	46,72,181	45,55,152
		6,58,29,294	6,43,67,785
		<b>6,74,76,272</b>	<b>6,61,83,481</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a)	12	24,86,113	24,86,113
(b)	13	(8,35,59,81,275)	(8,35,13,49,506)
		(8,35,34,95,162)	(8,34,88,63,393)
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a)			
(i)			
- Secured Borrowings	14	8,25,61,29,338	8,25,61,29,338
(b)	15	26,87,243	26,23,237
(c)	16	77,911	-
		8,25,88,94,492	8,25,87,52,575
<b>Current Liabilities</b>			
(a)			
(i)	17	11,42,65,036	10,88,83,604
(b)	18	4,78,11,905	4,74,10,695
		16,20,76,941	15,62,94,299
		<b>6,74,76,272</b>	<b>6,61,83,481</b>

Notes (Including Significant Accounting Policies and Critical Judgements , Estimates and Assumptions) forming part of the Financial Statements 1-38

As per our Report of even date attached

For and on behalf of the Board of Directors

For S.M. Bhingarde & Co.  
Chartered Accountants  
Firm No: 101418W

(S.M.Bhingarde)  
Proprietor  
Membership No 40170  
Mumbai 4th September 2019

Mr. Sampat V.Borate  
Director  
DIN 06929702

Hetal Parmar  
Woman Director  
DIN 07723298

Nidhi Shukla  
Company Secretary

R. Krishnaswamy  
Chief Financial Officer



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

		Note	For the Year ended March 31, 2019	For the Year ended March 31, 2018
I	Revenue from Operations	19	18,68,872	18,50,428
II	Other Income	20	8,83,109	28,99,277
III	<b>Total Income (I+II)</b>		<u>27,51,981</u>	<u>47,49,705</u>
IV	<b>EXPENSES</b>			
	(a) Employee Benefits Expenses	21	6,83,057	5,30,343
	(c) Finance Cost	22	698	3,686
	(c) Depreciation and Amortisation Expenses	3	1,18,517	1,39,707
	(d) Other Expenses	23	65,81,479	56,17,084
	<b>Total Expenses (IV)</b>		<u>73,83,751</u>	<u>62,90,820</u>
V	<b>Profit Before Tax (III-IV)</b>		(46,31,770)	(15,41,115)
VI	Tax Expenses			
	(a) Current Tax		-	-
	(b) Deferred Tax		-	-
	(c) Current Tax Adjustments of Earlier Years		-	2,79,543
	Total Tax Expense		-	2,79,543
VII	Profit After Tax (V-VI)		(46,31,770)	(18,20,658)
IX	Total Comprehensive Income		(46,31,770)	(18,20,658)
X	Earnings Per Equity Share			
	Basic/Diluted (Rs)	29	-13.03	-7.36
	Notes ( Including Significant Accounting Policies and Critical Judgements , Estimates and Assumptions) forming part of the Financial Statements	1-38		

The accompanying notes are an integral part of the financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors

For S.M. Bhingarde & Co.

Chartered Accountants

Firm No: 101418W

(S.M.Bhingarde)

Proprietor

Membership No 40170

Mumbai 4th September 2019

Mr. Sampat V.Borate

Director

DIN 06929702

Hetal Parmar

Woman Director

DIN 07723298

Nidhi Shukla

Company Secretary

R. Krishnaswamy

Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY

Particulars	Amount
<b>Equity Share Capital</b>	
As at April 1, 2017	24,86,113
Changes in equity share capital	-
As at March 31, 2018	24,86,113
Changes in equity share capital	-
As at March 31, 2019	24,86,113

### a. Other Equity

Particulars	Reserve and Surplus				Total Equity
	Retained Earnings	General Reserve	Capital Reserve	Other Comprehensive Income	
<b>Opening Balance as at April 1, 2017</b>	(8,36,90,55,870)	82,80,748	1,12,46,274	-	(8,34,95,28,848)
Loss for the year	(18,20,658)	-	-	-	(18,20,658)
Other Comprehensive Income (Net of tax)	-	-	-	-	-
Total Comprehensive income for the year	(8,37,08,76,528)	82,80,748	1,12,46,274	-	(8,35,13,49,506)
<b>As at March 31, 2018</b>	(8,37,08,76,528)	82,80,748	1,12,46,274	-	(8,35,13,49,506)

### b. Other Equity

Particulars	Reserve and Surplus				Total Equity
	Retained Earnings	General Reserve	Capital Reserve	Other Comprehensive Income	
<b>Opening Balance as at April 1, 2018</b>	(8,37,08,76,528)	82,80,748	1,12,46,274	-	(8,35,13,49,506)
Loss for the year	(46,31,770)	-	-	-	(46,31,770)
Other Comprehensive Income (Net of tax)	-	-	-	-	-
Total Comprehensive income for the year	(8,37,55,08,297)	82,80,748	1,12,46,274	-	(8,35,59,81,275)
<b>As at March 31, 2019</b>	(8,37,55,08,297)	82,80,748	1,12,46,274	-	(8,35,59,81,275)

As per our Report of even date attached

For and on behalf of the Board of Directors

For S.M. Bhingarde & Co.  
Chartered Accountants  
Firm No: 101418W

(S.M.Bhingarde)  
Proprietor  
Membership No 40170  
Mumbai 4th September 2019

Mr. Sampat V.Borate  
Director  
DIN 06929702

Hetal Parmar  
Woman Director  
DIN 07723298

Nidhi Shukla  
Company Secretary

R. Krishnaswamy  
Chief Financial Officer

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**Reconciliation of the number of share outstanding and amount of share capital**

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Particular	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Rs. In Lakhs	No. of Shares	Rs. In Lakhs
Equity Shares of Rs. 10 Per Value				
At the beginning of the year	2,47,222	24,72,225	2,47,222	24,72,225
Changes during the year	-	-	-	-
At the end of the year	2,47,222	24,72,225	2,47,222	24,72,225

**Rights, preferences and restrictions**

- a. The company has one class of Equity Shares having a par value of Rs 10 per share . Each shareholder is eligible for one vote. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of the Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.
- b. In order to bring in line the paid up capital which was not represented by the assets due to huge carried forward losses the company had made a petition the the Hon. Bombay High Court under section 100 and other applicable provisions of the Companies Act, 1956 for reduction of capital from Rs 2.50 crores to Rs 25 Lacs by reducing the paid up value of the share from Rs 10 to Rs 1. The Hon.Bombay High Court has confirmed the reduction of capital vide their order dated 15th April 2004. Consequently Rs 22,375,012 ( after adjusting forfeiture of 27,775 shares and Rs13,888 amount paid on forfeited shares) has been reduced from the accumulated losses of the company during the year ended 31st March 2005. The Company has consolidated its equity shares from Rs 1 to Rs 10.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company .

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Particular	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	% Held	No. of Shares	% Held
Name of the Shareholder				
Abad Transport Private Ltd.	25000	10.11	25000	10.11
Belmount Holding & Trading Co.Ltd.	25000	10.11	25000	10.11
Elaster Investments & Trading Co.Ltd.	25000	10.11	25000	10.11
Zodiac Hodlings & Trading Co.Ltd.	25000	10.11	25000	10.11
Mackinnons Abad Shipping Ltd.	19225	7.78	19225	7.78

3. Property, Plant and Equipment

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK			
	As At 01.04.2018	Additions/ Deductions	Other Adjustments	Deductions/ Transfers	As At 31.03.2019	As At 31.03.2019	As At April 1, 2018	For the Year	Deductions/ Adjustments	As At 31.03.2019	As At 31.03.2018	
<b>During the year</b>												
A. Property, Plant and Equipment												
1. Land & Buildings												
On Leasehold Land	12,94,882	-	-	-	12,94,882	12,94,882	1,25,635	58,170	-	1,83,805	11,11,077	11,69,247
2. Furniture & Fittings	15,526	-	-	-	15,526	15,526	-	-	-	-	15,526	15,526
3. Office Equipments	10,345	-	-	-	10,345	10,345	965	288	-	1,253	9,092	9,380
4. Plant & Machinery	4,43,885	-	-	-	4,43,885	4,43,885	1,79,663	60,059	-	2,39,722	2,04,16	2,64,222
<b>Total</b>	<b>17,64,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,64,638</b>	<b>17,64,638</b>	<b>3,06,263</b>	<b>1,18,517</b>	<b>-</b>	<b>4,24,780</b>	<b>13,39,858</b>	<b>14,58,375</b>
<b>Previous Year</b>	<b>17,64,638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,64,638</b>	<b>17,64,638</b>	<b>1,66,556</b>	<b>1,39,707</b>	<b>-</b>	<b>3,06,263</b>	<b>14,58,375</b>	

Note :

The ground lease of the premises of the company has expired on 22nd May 2017. The Company has made an application for renewal of lease.

**4 Investments**

Particulars	As At March 31, 2019	As At March 31, 2018
Investments ( valued at cost)		
<b>Unquoted :</b>		
<b>Other Companies</b>		
a) investment in Equity Instrument		
i) Hill Properties Limited (A Class)	2,36,000	2,36,000
(Rs. 1,18,000 Paid up per share)	20,000	20,000
ii) Atlas Ores Mines & Mineral Pvt Ltd In Liquidation		
b) Investment in Bonds and Debenture		
i) Registered Mortgage Debenture 1952	12,000	12,000
ii) 5% Non-Redeemable Registered Debenture Stock 1959	35,000	35,000
iii) Bengal Chamber of Commerce and Industries 5.5% Loan 1995	9,000 10,120	9,000 10,120
c) Other Investments		
i) 7 Year National Savings Certificates	5,000	5,000
	3,27,120	3,27,120
Less: Provision for dimution in value of Investments	20,000	20,000
<b>TOTAL</b>	<b>3,07,120</b>	<b>3,07,120</b>
a) Investments include an amount of Rs 236000 representing equity shares in a co-operative society towards purchase of flat.		
b) Investments Rs 15,120 are kept as security with authorities. These investments have matured. The Company is not in a position to get the same from authorities as the same are lost or misplaced. No provision is made for loss of investments Rs 15,120 and accrued interest Rs 8545 as company is still following up with the authorities.		
c) Investments made at Kolkata Rs 56,000 are presently not physically available as building is destroyed by fire. In absence of adequate data , no provision is made for loss of investments if any.		
<b>5. Non Current Tax Asset (Net)</b>		
Tax Paid	-	4,00,201
Less : Provision for Taxes	-	3,50,000
	-	50,201
<b>6. Other Non Current Asstes</b>		
Advance recoverable in cash or kind	1,17,59,495	1,17,59,495
Gross Other Non Current Assets	1,17,59,495	1,17,59,495
Less: Provision for bad & doubtful	1,17,59,495	1,17,59,495
<b>TOTAL</b>	-	-
<b>7. Trade Receivables</b>		
Unsecured Trade Receivables		
Considered Good	50,216,768	4,96,73,532
Considered Doubtful	1,96,20,764	1,96,20,764
	6,98,37,532	6,92,94,296
Less: Provision for Bad & Doubtful Debts	1,96,20,764	1,96,20,764
<b>TOTAL</b>	<b>5,02,16,768</b>	<b>4,96,73,532</b>

Particulars	As At March 31, 2019	As At March 31, 2018
(i) The Company has called for balance confirmations from Trade Receivables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company.		
(ii) Trade Receivables are non interest bearing .		
<b>8. Cash and Cash Equivalents</b>		
a) Balances with banks		
(i) Current Accounts	6,86,763	3,53,352
b) Cash on Hand	613	735
<b>TOTAL</b>	<b>6,87,376</b>	<b>3,54,087</b>
<b>9. Other Bank Balances</b>		
a) Margin Money against the Bank Guarantees	15,000	15,000
c) Fixed deposits with Bank	9,000	9,000
	<b>24,000</b>	<b>24,000</b>
<b>10. Other Financial Assets</b>		
(i) Security Deposit	83,42,676	83,42,676
(ii) Interest on Bank Deposits	18,77,748	14,09,793
(ii) Others	8,545	8,545
<b>TOTAL</b>	<b>1,02,28,969</b>	<b>97,61,014</b>
<b>11. Other Current Assets</b>		
a) Advance recoverable in cash or kind (see note below)	44,09,716	42,66,246
b) GST and other receivables	2,62,465	2,88,906
<b>TOTAL</b>	<b>46,72,181</b>	<b>45,55,152</b>
Includes certain old balances amounting to Rs 8,18,785/- (Previous Year Rs 8,18,785/-) for which no provision for doubtful items has been made in accounts pending review confirmation of the same. As a result , the effect on such non-provision on the loss for the year cannot be ascertained.		
<b>12. Equity Share Capital</b>		
Authorised:		
40,00,000 (Previous Year 40,00,000) Equity Shares of Rs 10 each per value	4,00,00,000	4,00,00,000
<b>TOTAL</b>	<b>4,00,00,000</b>	<b>4,00,00,000</b>
Issued, Subscribed and fully paid up shares:		
2,47,222 (Previous Year 2,47,222) Equity Shares of Rs 10 each per value	24,72,225	24,72,225
Shares Forfeited	13,888	13,888
<b>TOTAL</b>	<b>24,86,113</b>	<b>24,86,113</b>

Particulars	As At March 31, 2019	As At March 31, 2018
<b>13. Other Equity</b>		
<b>a) Retained Earnings</b>		
<b>(i) Statement of Profit and Loss</b>		
Balance broght forward from last year	(8,37,08,76,528)	(8,36,90,55,870)
Loss for the year	(46,31,770)	(18,20,658)
Other Comprehensive Income (Net of Tax):	-	-
	<b>(8,37,55,08,297)</b>	<b>(8,37,08,76,528)</b>
<b>(ii) General Reserve</b>		
Balances as per Last Accounts	82,80,748	82,80,748
	82,80,748	82,80,748
<b>Total Retained Earnings (i+ii)</b>	<b>(8,36,72,27,549)</b>	<b>(8,36,25,95,780)</b>
<b>b) Capital Reserve</b>	1,12,46,274	1,12,46,274
Total Other Components of Equity	1,12,46,274	1,12,46,274
Total Other Equity	(8,35,59,81,275)	(8,35,13,49,506)
<b>14. Secured Borrowings</b>		
From Others	8,25,61,29,338	8,25,61,29,338
(Secured by way of pledge of certain investments, hypothecation of books debts mortgage of all immovable properties)		
<b>Total</b>	<b>8,25,61,29,338</b>	<b>8,25,61,29,338</b>
i)	<p>The Hon'able Bombay High Court had approved the application of the banks for transfer of debts owed to them to a company ( hereinafter referred to as "Company" ) along with securities and mortogage charges in the past pursuant to the consent terms filed in the Debt Recovery Tribunal. Consequently suits filed by the banks before the Debt Recovery Tribunal had transposed the "Company" in place of the banks. The Hon. Bombay High Court had passed a decree in favour of the said "Company" to dispose off/sell the immoveable property and flats belonging to the company to recover its dues. Total amount due to the "Company" as per decree together with interest is Rs.2399.62 Crores as on 31st March 2019. No further entries are passed in the books for the balance amount due Rs.1637.62 in respect of the said suits as the company is not in a position to repay the said loans and decree has been awarded to the lender to dispose off the secured assets. Hence accounting can be done only after the assets are sold &amp; based on discharge given to the company by the lender. Total amount due to M/s. ABC &amp; Sons Ltd. against debts of various banks taken over by them as on 31st March 2019 is Rs,8,25,61,29,338 (Previous Year is Rs,8,25,61,29,338) and no interest has been provided thereon.</p>	
ii)	<p>The Company is in the process of restructuring its debts.</p>	
<b>15. Provisions</b>		
Provision for employee benefits		
(i) Gratuity	15,49,577	15,25,577
(ii) Leave Encashment	11,37,666	10,97,660
	<b>26,87,243</b>	<b>26,23,237</b>
<b>16 Liabilities for Tax (Net)</b>		
Tax Paid	2,72,089	-
Less : Provision for Taxes	3,50,000	-
	77,911	-

Particulars	As At March 31, 2019	As At March 31, 2018
17. Trade Payables		
<b>TOTAL</b>	<b>11,42,65,036</b>	<b>10,88,83,604</b>

- a) Trade payables include an amount of Rs 26,51,925 ( Previous Year Rs 26,51,925) which represents old balances for which no write back has been made pending the review /confirmations of the same. The Company has called for balances confirmations from Trade Payables. It has received a few of the confirmations which have been reconciled with the records of Company. The other balanes have been taken as per the records of the Company.
- b) The Suppliers /Service Providers covered under Micro, Small and Medium Enterprises Development, 2006 have not furnished the information regarding filing of necessary memorandum and the appropriate authority. In view of this, information to be disclosed under Section 22 of the said Act is not given.

**18. Other Current Laibilities**

(i) Statutory Dues	2,26,352	2,99,054
(ii) Advances received from Customers	2,09,80,092	2,09,80,091
(iii) Other Liabilities	2,66,05,461	2,61,31,549
	4,78,11,905	4,74,10,694

Note: Following amounts represents old balances for which no write back has been in accounts pending the review confirmation of the same.

a) Advances from Customers	1,02,99,091	1,02,99,091
b) Advances and amounts held for principals	45,53,683	45,53,683
	1,48,52,774	1,48,52,774

**Revenue From Operations**

Particulars	As At March 31, 2019	As At March 31, 2018
<b>19. Sales of Services</b>		
(a) Commission and Service Charges	80,200	80,200
(b) Income from Property	17,88,672	17,70,228
<b>TOTAL</b>	<b>18,68,872</b>	<b>18,50,428</b>
<b>20. Other Income</b>		
(a) Interest income		
(i) on Fixed deposit with bank	5,19,950	6,67,167
(ii) on Income Tax	9,733	3,71,748
(b) Sundry Credit Balance Written Back	88,326	11,56,825
(c) Miscellaneous Income	2,65,100	7,03,537
<b>TOTAL</b>	<b>8,83,109</b>	<b>28,99,277</b>
<b>21. Employee Benefits Expenses</b>		
(a) Salaries, Wages and Benefits	6,03,500	4,26,000
(b) Contribution to Fund	64,006	80,000
(c) Staff Welfare expenses	15,551	24,343
<b>TOTAL</b>	<b>6,83,057</b>	<b>5,30,343</b>



Particulars	As At March 31, 2019	As At March 31, 2018
<b>22 Finance Cost</b>		
(a) Interest on Other	698	3,686
<b>TOTAL</b>	<b>698</b>	<b>3,686</b>
<b>23 Other Expenses</b>		
(a) Power, Fuel and Water Charges	2,90,489	2,13,708
(b) Rent	1,75,299	2,39,439
(c) Rates & Taxes	5,88,260	8,21,017
(d) Repairs and maintenance		
(i) Building	2,35,312	2,83,255
(ii) Others	1,17,377	43,211
(e) Insurance	2,24,370	1,94,975
(f) Payments to auditors		
(i) Audit Fees	2,68,000	2,30,000
(g) Legal and Professional	19,63,400	21,38,696
(h) Miscellaneous Expenses	27,18,972	14,52,783
<b>TOTAL</b>	<b>65,81,479</b>	<b>56,17,084</b>
<b>24. Defined Benefit Plan/Long Term Compensated Absences :</b>		
<p>In terms of the provisions of the Standard applicable to the company, the company is required to provide for accrued liability for the year in respect of gratuity and long term compensated absences based on actuarial valuation as at year end. However the company has made provision for the year for gratuity and long term compensated absences on arithmetical basis as stated in note 2(vi). The effect of the Profit &amp; Loss Account for the year had the company determined the accrued liability for gratuity and long term compensated absences based on actuarial valuation has not been ascertained. Further the transitional liability/gain as at April 1, 2007 which is required to be accounted in terms of transitional provisions of the Standard, has not been ascertained and accounted for.</p>		
<b>25. RETRENCHED STAFF</b>		
<p>60 Clerical workers and subordinate staff were retrenched on 4th August 1992 under the Industrial Disputes Act at Mumbai. Each one was paid 15 days wages per completed year of service and one months' notice pay in addition to other dues. The Industrial Court has given a judgement against the Company on 08.03.96. The company had filed an appeal with the High Court against the same order, which has been decided against the company. Special Leave Petition had been admitted for hearing before the Hon. Supreme Court against the order of the Hon. Bombay High Court. The Supreme Court dismissed the appeal of the company and ordered payment of back wages and terminal dues to the concerned workmen's. The Company in its Compliance Affidavit submitted to the Supreme Court has stated that as per the Company concerned workmen are only 7 and has pleaded non applicability in respect of balance 88 workmen. However, there are no further orders on this. The Company had deposited adhoc sum of Rs.32/- lakhs with the Registrar, Bombay High Court. The Company is of the view that it can provide for the said liability only after reconciliation is received in respect of sums so held by the Registrar, Hon'ble Bombay High Court.</p>		
<b>26. CONTINGENT LIABILITIES</b>		
i) Claim not acknowledged as debts		
ii) a) In respect of 88 workmen as referred to Note 25 above, in respect of whom the company has pleaded non applicability to pay.		
b) Other		

iii) Fine of Rs 10,02,97,000 is levied on Company and its Officers for alleged violation of Foreign Exchange Regulation Act in respect of transactions relating to purchase of ships in foreign currency in the year 1978. The Company had filed an appeal against the said order with Appellate Tribunal for Foreign Exchange. The Tribunal has allowed the company's appeal against which the concerned department had filed an appeal with the Hon. High Court of Bombay. The Hon. High Court of Bombay has referred the matter back to the Appellate Tribunal. An amount of Rs25,400 paid as deposit against the penalty is reflected in Loans and Advances.

27. The company's old records were destroyed owing to heavy rains which took place in Mumbai on 26th July 2005, resulting in heavy seepage in the premises where old records were kept. The company is in the process of reconstructing the records to the extent possible

**28. EARNINGS IN FOREIGN CURRENCY**

From Services Rendered	80,200	80,200
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**29. EARNINGS PER SHARE**

EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Numerator for Basic and diluted earnings per share		
Net Profit after tax for the year before Preference dividend	(46,31,770)	(18,20,658)
Net Profit after tax for the year (a)	(46,31,770)	(18,20,658)
Denominator for Basic and Diluted Earnings per Share		
Weighted average number of Shares (b)	2,47,222	2,47,222
Basic and Diluted Earnings per Shares [(a)/(b)] In Rs	(13.03)	(7.36)
Face Value per Share (in Rs)	10	10

30. The Company has accumulated losses and its net worth has been fully / substantially eroded, the Company has incurred a net loss/net cash loss during the current and previous years(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. Going concern basis has been adopted in the preparation of financial statements based on management expectations and projections.

31. Confirmations are not available in respect of balances of secured loans, debtors, certain bank balances, deposits, advances and creditors appearing in Notes 4,7,8,9,14 ,17 and 18 of the accounts respectively.

**32. Segment Information**

The Company's current business activities has only one reportable segment property owning and leasing.

**33. List of Related Parties and Their Relationships**

Key Management Personnel

i. Abbas Lakdawalla- Independent Director

ii) S. V. Borate- Independent Director

iii) Hetal Parmar- Independent Woman Director

i)

**34. Related Party Disclosures**

Following transactions were carried out in the ordinary course of business with the parties referred to in 32 above. There was no amount written off or written back from such parties during the year. The related parties included in the various categories above, where transactions have taken place are given below :

Particulars	Key Management Personnel
<b>Professional Fees</b>	
Abbas Lakdawala	37,250.00

**Sitting Fees**

Abbas Lakdawala	1,000.00
	(1,750.00)
S V Borate	1,250.00
	(250.00)
Hetal Parmar	1,250.00
	(500.00)

**35. Capital Management**

"The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimum utilisation of the equity balance. The Capital Structure of the Company consist of only equity of the Company. The Company is not subject to any externally imposed capital requirements".

**36 Financial Risk Management Policies and Objectives**

"The Company's activities expose it to a variety of financial risks. The Company's primary focus is to foresee the unpredictability and seek to minimize potential adverse effect on its financial performance. The Board of Directors of the company ( " the Board" is responsible for monitoring the Company's risk management policies which are established to identify and analyse the risks faced by the Company. The Board periodically review the changes in the market condition and reflesc the changes in the policies accordingly. The key risks and mitigating actions are also placed before the Board of the Company. The Board oversees how Management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company."

Credit Risk-Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments and outstanding receivables from customers. I The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers, to whom the Company grants credit in accordance with the terms and conditions and in ordinary course of its business.

**37. Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rest with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the company's short term, medium-term and long-term funding liquidity management requirements. The Comapany manages liquidity risk by by continuously monitoring forecast and actual cash flow and by matching the maturity profiles of financial assets and liabilities. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

**38.** Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications/disclosures.

As per our Report of even date attached

For and on behalf of the Board of Directors

For S.M. Bhingarde & Co.  
 Chartered Accountants  
 Firm No: 101418W

(S.M.Bhingarde)  
 Proprietor  
 Membership No 40170  
 Mumbai 4th September 2019

Mr. Sampat V.Borate Director DIN 06929702	Hetal Parmar Woman Director DIN 07723298	Nidhi Shukla Company Secretary	R. Krishnaswamy Chief Financial Officer
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**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH, 31 2019**

	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>Cash flow from operating activities</b>		
Loss before tax from continuing operations	(46.32)	(18.21)
Depreciation and amortization	1.19	1.40
Interest expense (gross)	0.01	0.04
Interest on fixed deposit	(5.30)	(10.39)
	<u>(50.42)</u>	<u>(27.16)</u>
<b>Operating Profit before working capital changes</b>		
<b>Adjustments For:</b>		
(Increase)/ Decrease in Other Current & Non-Current Assets	(0.50)	(15.68)
(Increase)/ Decrease in Trade Receivable	5.43	(37.12)
(Increase)/ Decrease in Trade Payable	(53.81)	39.75
(Increase)/ Decrease in Other current financial Assets	5.85	6.42
(Increase)/ Decrease in Other current liabilities	(4.01)	(1.99)
(Increase)/ Decrease in Provisions	(0.64)	(0.80)
	<u>(2.74)</u>	<u>(17.74)</u>
Income taxes paid		-
Net Cash Flow from operating activities	<u>(2.74)</u>	<u>(17.74)</u>
Interest on fixed deposits	5.30	10.39
Interest Paid	(0.01)	(0.04)
<b>Net Cash from Financing activities</b>	<u>2.55</u>	<u>(7.38)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the year	3.78	11.16
Cash and Cash equivalents at the end of the year	<u>7.11</u>	<u>3.78</u>
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash on Hand</b>	0.01	0.01
<b>Other Bank Balances</b>	0.24	0.24
<b>On Current Accounts</b>	6.86	3.53

As per our Report of even date attached

For and on behalf of the Board of Directors

For S.M. Bhingarde & Co.

Chartered Accountants

Firm No: 101418W

(S.M.Bhingarde)

Proprietor

Membership No 40170

Mumbai 4th September 2019

Mr. Sampat V.Borate

Director

DIN 06929702

Hetal Parmar

Woman Director

DIN 07723298

Nidhi Shukla

Company Secretary

R. Krishnaswamy

Chief Financial Officer

## **NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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### **Corporate Information**

1. Mackinnon Mackenzie & Company Limited (the "Company") is a public limited company domiciled in India. Its shares are listed on the Bombay Stock Exchange., temporarily suspended for trading. The company is the business of property owing and leasing, shipping agency.

### **2. Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

#### **a. Basis of Preparation**

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and as per Ind AS-1.

Based on the nature of products and the time between acquisition of Assets for processing and their realization in Cash and Cash Equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current/ Non-Current classification of Assets and Liabilities.

(ii) **Historical cost convention**

The financial statements have been prepared on a historical cost basis using accrual method of accounting.

#### **b. Segment Reporting**

Ind AS 108 Operating Segments requires Management to determine reportable segments for the purpose of disclosure in financial statements based on internal reporting reviewed by the Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segments.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BOD), based on its internal reporting structure and functions of BOD. The Operating Segment used to present segment information identified based on the internal reports used and reviewed by the BOD to assess performance and allocate resources. The Management has determined that Company's current business activity has only one reportable segment Property Owning and Leasing.

#### **c. Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

#### **d. Income Tax**

##### **Current Income Taxes**

No provision is made in view of loss suffered during the year and carried forward losses.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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**e. Deferred Tax**

Net Deferred tax asset has not been recognized by the company in view of uncertainty of future taxable income

**f. Impairment of Assets**

If internal/ external indications suggest that an Asset of the Company may be impaired, the recoverable amount of Asset/ Cash Generating Unit is determined on the date of Balance Sheet and if it is less than its carrying amount, the carrying amount of Asset/ Cash Generating Unit is reduced to the said recoverable amount. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognized for an Asset in prior accounting period is reversed.

Non-financial Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**g. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments, with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**h. Trade Receivables**

Trade receivables are recognized and measured at amortized cost less provision for impairment, if any.

**i. Investments**

- (i) Investments are carried at cost less accumulated impairment, if any.
- (ii) Profit or loss on sale of investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.

**j. Financial Assets**

- (i) Classification: The Company measures its financial Assets at amortized cost.
- (ii) Measurement: Financial Asset include Investment, Trade Receivable, Advances, Security Deposits, Cash and Cash Equivalents. These are initially recognised at transaction price, when the company becomes party to contractual obligation. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

The Management believes that the useful lives, as determined, best represent the period over which it expects to use these Assets which is the same as the useful life of the Special Plant and Machinery. Hence, the useful lives for such Plant and Machinery are different from the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the Assets of the Company, after deducting all of its liabilities. Equity Instruments are recorded at the proceeds received, net of direct issue cost.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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**k. Financial Liabilities**

Borrowings, Trade Payables and other Financial Liabilities are initially recognized at their respective contractual obligations.

Financial Liabilities are de-recognised when the liability is extinguished i.e. when the contractual obligation is discharged or cancelled on expiry.

**l. Property, Plant and Equipment and Others**

(i) The Company has adopted the cost model as its accounting policy for all its Property, Plant and Equipment and accordingly, the same are reflected as under:

Land (Leasehold) is carried at cost less amortization;

Other items of Assets are carried at cost less accumulated depreciation /amortization and impairment losses, if any.

(ii) An item of Property, Plant and Equipment is recognized as an Asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

(iii) The cost comprises of - purchase price (net of goods and service tax), including import duties and non-refundable taxes, after deducting trade discounts and rebates, any cost incurred which is directly attributable to bring the Asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**Depreciation methods, estimated useful lives and residual value**

(i) The charge of depreciation on Property, Plant and Equipment is commenced when the relevant asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

(ii) Depreciation on Assets purchased/sold during the period is proportionately charged.

**m. Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as Current Liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**n. Borrowings**

Borrowings are initially valued at their contractual obligations, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized as profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as Current Liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender has not demanded payment, after the reporting period and before the approval of the financial statements for issue, as a consequence of the breach.

## **NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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### **o. Employee Benefits**

#### **Short term employee benefits**

Short Term employee benefits such as salaries, wages, bonus etc, are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### **Long term employee benefits**

Provision for Gratuity has been made on arithmetical basis in respect of the employees on the assumption that all employees retire on 31st March 2019. Provision for compensated absences has been made on arithmetic basis in respect of all employees

### **p. Contributed Equity**

Equity shares are classified as Equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **q. Earnings Per Share**

(i) Basic earnings per share: It is calculated by dividing

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share: Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares which includes stock options granted to employees.

### **r. Provisions, Contingent Liabilities and Contingent Assets**

The Company recognizes a provision, when there is a present obligation as a result of past events, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent Liabilities are disclosed by way of a note to the financial statements after careful evaluation by the Company of the facts and legal aspects of the matters involved.

Contingent Assets are neither recognized nor disclosed.

## **2. Critical Judgments, Estimates and Assumptions**

The preparation of financial statements requires the Company to make estimates, assumptions and judgments that affect the reported balances of Assets and Liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expenses for the period presented.

The estimates and the associated assumptions are based on historical experience and the other factors that are considered to be relevant. Actual results may differ from the estimates under different assumptions and conditions.

Estimates and the underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.



## **NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of Assets and Liabilities within the next financial year are discussed below.

**(i) Judgments:**

In the process of applying the Company's accounting policies, Company has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

**a. Segment Reporting**

Ind AS 108- Operating Segments requires the Company to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Board of Directors to assess the performance and allocate resources. The standard also requires the Company to make judgments with respect to aggregation of certain operating segments into one or more reportable segment. Operating segments used to present segment information are identified based on the internal reports used and reviewed to assess performance and allocate resources. The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BOD), based on its internal reporting structure and functions of BOD. The Operating Segment used to present segment information identified based on the internal reports used and reviewed by the BOD to assess performance and allocate resources. The Management has determined that Company's current business activity has only one reportable segment Property Owning and Leasing.

**b. Contingent Liability Judgment**

Note - 29 describes claims against the Company not acknowledged as debt.

**(ii) Estimates and Assumptions:**

The key assumptions concerning the future and other key sources of estimation, uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of Assets and Liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**a. Litigations**

From time to time, the Company is subjected to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigations. A provision is made when it is considered probable that payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting year and revisions made for the changes in facts and circumstances.







# MACKINNON MACKENZIE AND CO LIMITED

Regd. Office : 4, Shoorji Vallabhdas Marg, Ballard Estate, Bombay - 400 001.

CIN No. L63020MH1951PLC013745

## FORM NO. MGT -11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L63020MH1951PLC013745  
Name of the Company : Mackinnon Mackenzie and Co Limited  
Registered Office : 4, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai-400001

Name of the Member(s) : .....  
Registered address : .....  
E-mail Id : .....  
Folio No/Client Id/DP ID : .....  
No. of Shares : .....

I/We, being the Member of the above named Company, hereby appoint

Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

Or failing him/her

Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

Or failing him/her

Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 68th Annual General Meeting of the Company to be held on Friday, 27th September, 2019 at 10:00 a.m. at Kanji Khetsi Bhatia Wadi, 65, Mint Road, Fort, Mumbai- 400001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
<b>Ordinary Business</b>			
1.	Adoption of the Audited Financial Statement of the Company for the year ended 31st March 2019 including the Audited Balance Sheet as at 31st March 2019, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date along with the Reports of the Board of Directors and Auditors thereon.		
2.	Mr. Abbas Lakdawalla, Non-Executive Non-Independent Director of the Company, being eligible, offers himself for re-appointment.		



<b>Special Business</b>			
3.	Approval for place of profit for paying professional fees to Mr. Abbas Lakdawalla, Non-Executive Non-Independent Director of the Company.		
4.	Approval of payment of Remuneration to Mr. R Krishnaswamy, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company wef 1st June 2019		
5.	Approval of payment of Remuneration to Mr. Ashok Joshi, Manager and Key Managerial Personnel (KMP) of the Company wef 1st June 2019		

Signed this .....day of.....2019

.....  
Signature of the Proxy

.....  
Signature of the Shareholder

Affix One Rupee Revenue Stamp here
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Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the Meeting.

# MACKINNON MACKENZIE AND CO LIMITED

Regd. Office : 4, Shoorji Vallabhdas Marg, Ballard Estate, Bombay - 400 001.

CIN No. L63020MH1951PLC013745

## FORM NO. MGT -12

### POLLING PAPER

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

### 68TH ANNUAL GENERAL MEETING

BALLOT PAPER		
Sr. No.	Particulars	Details
1.	Name of the First named Shareholder (in Block Letters)	
2.	Postal Address:	
3.	Registered Folio No.	
4.	Class of Share	Equity Share @ Re. 1/- each

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Item No.	Items	No. of shares held by me*	I assent to the resolution ("For")	I dissent from the resolution ("Against")
<b>ORDINARY BUSINESS</b>				
1.	To consider and adopt the Audited Financial Statements, Report of the Board of Directors and Auditors Report for Financial Year ended 31st March 2019.			
2.	Mr. Abbas Lakdawalla, Non-Executive Non-Independent Director of the Company, being eligible, offers himself for re-appointment.			
<b>SPECIAL BUSINESS</b>				
3.	Approval for place of profit for paying professional fees to Mr. Abbas Lakdawalla, Non-Executive Non-Independent Director of the Company.			
4.	Approval of payment of Remuneration to Mr. R Krishnaswamy, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company wef 1st June 2019			



5.	Approval of payment of Remuneration to Mr. Ashok Joshi, Manager and Key Managerial Personnel (KMP) of the Company wef 1st June 2019			
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\* Entitlement of shareholders to cast their vote at the 68th Annual General Meeting will be reckoned on the cut-off date i.e. 19th September 2019. Accordingly, the number of shares held by shareholder on such aforesaid date will only be considered.

Instructions:

1. This Ballot paper is for the members who have not voted through Remote E-voting facility. A member can opt for only one mode of voting i.e. either through remote E-voting or by Ballot paper. If a Member casts votes in both the modes, then vote cast through Remote E-Voting shall prevail and Ballot paper shall be treated as invalid.
2. The vote should be cast either in favour or against by putting tick (√) mark in the column provided for assent or dissent.
3. This form should be completed and signed by the Member/Proxy Holder as per the specimen signatures registered with the Company/Depository. In case of joint holding, this form should be completed and signed by the first named member.
4. Unsigned, incomplete, improperly or incorrectly tick marked Ballot papers will be rejected. A Ballot paper will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified.
5. The decision of Scrutinizer on the validity of the Ballot paper and any other related matter shall be final.
6. The Scrutinizer will collate the votes downloaded from the Remote E-Voting system and votes cast through Ballot paper to declare the final result for each of the Resolutions enumerated above.
7. The Results shall be declared by the Chairman within 3 days from the date of the 68th Annual General Meeting i.e. on 27th September 2019.

PLACE: MUMBAI

DATE:

\_\_\_\_\_  
(Signature of the Shareholder/ Proxy Holder)



Dear Shareholders,

You are requested to complete the below information Sheet as mandated under SEBI Circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20th April 2018.

By Order of the Board of Directors  
For MACKINNON MACKENZIE AND CO LIMITED

Sd/-  
R. Krishnaswamy  
Chief Financial Officer



To  
Satellite Corporate Services Pvt. Ltd.  
Unit No. 49, Bldg No.13-A-B, 2nd Floor,  
Samhita Commercial Co-Op. Soc. Ltd.  
Off Andheri Kurla Road, MTNL Lane,  
Sakinaka, Mumbai - 400 072

Dear Sir/Madam,

Unit:

**Sub: Shareholders Information updating (KYC)**

Please take on record the information as mentioned in below and update the same in my folio:

PARTICULARS	DETAILS
Name	
Folio Number	
Address	
Current Address	
PAN	
Mobile No.	
E-mail Id	
Bank Name	
Branch	
Account Number	
IFSC	
MICR No.	

(Signature of Sole / First Shareholder)

Notes:

1. After filling this form forward this form to Satellite Corporate Services Pvt. Ltd., (Register and Transfer Agent (RTA) of the Company.
2. Please enclose self-certified copy of PAN card and cancelled cheque along with this form.
3. In case of address change please fill the details against current address and enclosed self-attested address proof either telephone bill, electricity bill, water bill or Aadhaar card.



# MACKINNON MACKENZIE AND CO. LIMITED

Regd. Office : 4, Shoorji Vallabhdas Marg, Ballard Estate, Bombay - 400 001.

CIN No. L63020MH1951PLC013745

## ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER  
AT THE ENTRANCE OF THE MEETING HALL

Member/ Proxy .....  
(First) (Middle) (Surname)

I hereby record my presence at the 68th Annual General Meeting of the Company to be held on Friday, 27th September, 2019 at 10:00 a.m. at Kanji Khetsi Bhatia Wadi, 65, Mint Road, Fort, Mumbai- 400001.

Folio/Client ID	
-----------------	--

No. of Shares Held	
--------------------	--

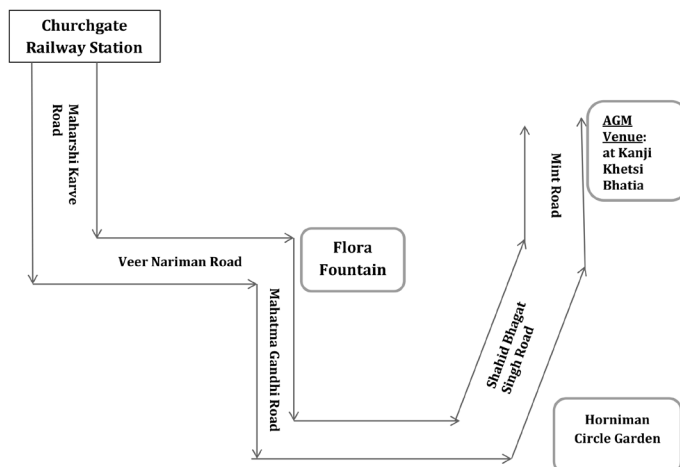
-----  
(Signature of Member/ Proxy)

Note: This attendance slip is valid only in case of shares are held on the date of meeting.

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## ROUTE MAP OF 68<sup>TH</sup> AGM VENUE

### ROUTE MAP



**REGISTERED A.D.**

Printed at VSSU Graphics, Lower Parel, Bombay-13. Phone: 2493 8653

If Undelivered please return to:  
**MACKINNON MACKENZIE AND CO. LIMITED**  
4, Shoorji Vallabhdas Marg,  
Ballard Estate, Bombay - 400 001.