

MACKINNON MACKENZIE AND COMPANY LIMITED

Registered Office : 4 Shoorji Vallabhdas Marg, Ballard Estate Mumbai 400 001

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CIN NO. : L63020MH1951PLC013745

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

(Rs. in Lacs except per share data)

Sr. No.	Particulars	Quarter Ended		Year ended	
		30.06.2019 (Unaudited)	31.03.2019 (Audited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
I.	Revenue from Operations	5.38	4.67	4.67	18.69
II.	Other Income	0.14	6.74	0.66	8.83
III.	Total Revenue (I+II)	5.52	11.41	5.33	27.52
IV.	Expenses				
	Cost of Materials Consumed	-	-	-	-
	Changes in inventories of finished goods, work in progress	-	-	-	-
	Employees benefits costs	1.69	3.45	1.08	6.83
	Finance costs	0.05	-	0.30	0.01
	Depreciation and Amortisation Expense	0.25	0.29	0.01	1.18
	Other Expenses	10.28	9.07	25.25	65.81
	Total Expenses (IV)	12.27	12.81	26.64	73.84
V.	Profit/(Loss) before exceptional items and Tax (III-IV)	(6.75)	(1.40)	(21.30)	(46.32)
VI.	Exceptional Items	-	-	-	-
VII.	Profit/(Loss) before tax (V+VI)	(6.75)	(1.40)	(21.30)	(46.32)
VIII.	Tax Expense:				
	Current Tax (Net of MAT Credit)	-	-	-	-
	Deferred Tax	-	-	-	-
	Current Tax Adjustments of Earlier Years	-	-	-	-
IX.	Profit or / (Loss) for the period / year (VII-VIII)	(6.75)	(1.40)	(21.30)	(46.32)
X.	Other Comprehensive Income (expenses)				
	(a) Items that will not be reclassified to Profit or Loss	-	-	-	-
	- Remeasurement gain/(losses) on defined benefits plans	-	-	-	-
	(b) Income tax relating to items that will not be reclassified to profit & loss	-	-	-	-
	(c) Items that may be reclassified to profit and loss	-	-	-	-
	- Deferred (gain)/losses on cash flow hedges	-	-	-	-
	(d) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Other Comprehensive Income / (Expenses) for the period (Net of Tax)	-	-	-	-
XI.	Total Comprehensive Income for the period (IX-X)	(6.75)	(1.40)	(21.30)	(46.32)
XII.	Paid-up Share Capital	24.72	24.72	24.72	24.72
XIII.	Face Value of Share (Rs.)	10.00	10.00	10.00	10.00
XIV.	Earning per Equity Share				
	a. Basic	(2.73)	(0.57)	(8.62)	(18.73)
	b. Diluted	(2.73)	(0.57)	(8.62)	(18.73)

Notes

- The above results were taken on record by the Board of Directors at the held on 9th August 2019 at 16.00 hrs.
- The Hon'able Bombay High Court had approved the application of banks for transfer of debts owed to them to a company (hereafter referred to as "Company") along with securities and mortgage 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.2474.79 Crores as on 30th June 2019. No further entries are passed in the books for the balance amount due Rs.1712.80 crores in respect of the said suits as the management 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 & based on discharge given to the Company by the lender.
- 60 Clerical workers & 35 subordinate staff were retrenched on 4th August 1992 under the Industrial Dispute Act at Mumbai. Each one was paid 15 days wages per completed year of services & one month's notice pay in addition to other dues. The Industrial Court has given a Judgement against the company. However the company had filed an appeal with the High Court against the same order, which has been decided against the company. The Hon.Supreme Court had dismissed the appeal of the company filed against the order of the Hon.Bombay High Court & 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 in the order passed by the Hon. Supreme Court. The Company in its Compliance Affidavit submitted to the Supreme Court has stated that as per the concerned workmen are only 7. 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.
- 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. The Company has accounted for rent due from its tenants for the entire quarter on the basis of it being a holding out tenant as per legal opinion received.
- Consequent to the one time settlement made by the Company with its bankers and the assignment of the debts to a private company. The company is in the process of restructuring the debts.
- Figures of the quarter ended March 31, 2019 are the balancing figures between audited figures for the full financial year ended March, 31 2019 and nine months unaudited figures up to December 31, 2018.
- Figures of previous quarter/year have been regrouped / reclassified wherever necessary to correspond with the figures of the current quarter/year presentation

For MACKINNON MACKENZIE & CO.LTD.

PLACE: MUMBAI
DATE : 9th August 2019

HETAL PARMAR
DIRECTOR
DIN NO. 07723298

For S. M. Bhingarde & Co.

S M Bhingarde

Membership No.
40170

Proprietor

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

To

The Board of Directors
Mackinnon Mackenzie & Co. Ltd.
Mumbai.

1. We have reviewed the accompanying a statement of unaudited standalone financial results of M/s. Mackinnon Mackenzie & Company Limited (the "Company") for the quarter ended 30th June 2019 (the "Statement") together with the relevant notes thereon (the "Statement"). This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") as amended, which has been initialed by us for identification purposes. The Statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement.
3. A review of interim financials is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit. Accordingly, we do not express an audit opinion.



- I. 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 30th June 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 2474.79 crores as on 30th June 2019. No provision is made in respect of additional amount due to the company as per decree amounting to Rs 1712.80 .crores.
- II. 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 month's 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. No provision has been made in respect of dues to 7 (Seven) workers amounting to Rs.91.83 lakhs plus interest upto 30th June 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.
- III. Despite continued huge losses resulting in total erosion of the net worth of the company, the accounts for the year have been prepared on the assumption of going concern basis. Should the company be unable to continue as a going concern, the extent of effect the resultant adjustments would have on the net worth at the year end as the losses for the year is not ascertainable. As such, we are unable to express an opinion as to the effect of financial statements for the year.
- IV. 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.



- V. 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.
- VI. 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.
- VII. 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).
- VIII. The investments made at Kolkata Rs 56000/- are presently not available for verification as the building is destroyed by fire.
- IX. Non availability of confirmations in respect of balances of secured and unsecured loans, debtors, certain bank balances, deposits, and creditors appearing in of the accounts respectively.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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

S m Bhingarde

S.M. Bhingarde
Proprietor
M.No 40170
UDIN: 19040170AAAAAI9879

Place : Mumbai.
Dated : 9th August 2019