

Limited Review Report on quarterly and half yearly Standalone Financial Results and Year to date Results of Mackinnon Mackenzie & Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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

We have reviewed the accompanying a statement of unaudited standalone financial results ("Statement") of M/s. Mackinnon Mackenzie & Company Limited (the "Company") for the quarter and half year ended 30th September, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, 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 there under and other accounting principles generally accepted in India.

Our responsibility is to issue a report on the Statement based on our review.

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. A review of interim financial information consists of making inquiries, primarily of persons 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 the Standards on Auditing 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. Accordingly, we do not express an audit opinion. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



Based on our review conducted as above and as stated in Paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards i.e. "Ind AS" prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw your attention to relating to:

1. The Company had borrowed amounts from its bankers aggregating to Rs 825.61 Crs including interest. Since said amounts were not repaid, Bankers approached Debt Recovery Tribunal. 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 "Lending 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 "Lending Company" in place of the banks. The Hon. Bombay High Court had passed a decree in two of the suits filed in favour of the said "Lending Company" to dispose of/sell the immoveable property and flats belonging to the company to recover its dues. Total amount due to the "Lending Company" as per the decree together with interest, as on 30th September 2021 is Rs.3281.15 Crores, inclusive of interest of Rs 103.10 Crs for the quarter. The Lending Company has given an unconditional deferment of its loans up to March 31, 2023. If Company had accounted for differential liability in the books, loss for the quarter would have increased by 103.10 Crs, negative net worth would have increased by Rs.3281.15 Crs, and secured borrowings would have increased by Rs. 3281.15 Crs, (Refer Note 3)
2. 60 Clerical workers and 35 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 judgment against the Company on 08-Mar-1996. The company had filed an appeal with the High Court against the said 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. 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 an ad-hoc sum of Rs.32 lakhs with the Registrar, Bombay High Court. The said amount of Rs. 32 lakhs are included in Advances other than Capital advances. 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. Total amount due to the said 7 concerned workmen as at 30th June 2021 aggregating to appx Rs 1.46 Crs (including interest), inclusive of Rs 0.02 Crs for the quarter which is not provided for. If this liability had been accounted for then, loss for the quarter would have increased by 0.02 Crs, negative net worth would have increased by Rs.1.46 Crs and trade payables would have increased by Rs.1.46 Crs (Refer Note 4).

3. Loans and Advances includes certain old balances amounting to Rs 8.19 lakhs for which no provision for doubtful items if any has been made in the accounts resulting in overstatement of other current assets and understatement of loss for the quarter and negative net worth by Rs. 8.19 lakhs
4. Trade Payables include an amount of Rs. 26.51 lakhs which represent old balances due for more than 20 years which are not claimed by the creditors. If these amounts had been written back, loss for the quarter and negative net worth would have reduced by Rs. 26.51 lakhs and trade payables would have reduced by Rs. 26.51 lakhs.
5. Certain old credit balances outstanding in various accounts amounting to Rs.148.53 lakhs for which no write back have been made in accounts. If these amounts had been written back, loss for the quarter and negative net worth would have reduced by Rs. 148.53 lakhs and other current liabilities would have reduced by Rs. 148.53 lakhs.
6. 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 the Ind AS 19 Employees Benefits (the Standard). We are not able to ascertain and comment on the resultant impact of the same on the financial results of the Company.
7. Investments in Debentures or Bonds aggregating to Rs 0.56 lakhs are destroyed in fire in the year 1998. In absence of adequate data, no provision is made for loss of investments. If these Investments would have been written off, the investments would have reduced by Rs. 0.56 lakhs and loss for the quarter and negative net worth would have increased by Rs. 0.56 lakhs.
8. 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. We are not able to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the financial results of the Company.



9. In the absence of information, the effects of which can't be quantified, we are unable to comment on the possible impact of the items stated in the point numbers 6 and 8 on the financial results of the Company for the Quarter and half year ended September 30, 2021.

Our opinion is Qualified in respect of matters stated at 1 to 5 and 7 above.

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



S m Bhingarde

S.M. Bhingarde
Proprietor
M.No 40170
UDIN: 21040170AAAABC3889

Place : Mumbai.
Dated : November 12, 2021

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Half Year ended		Year Ended
		Sep 30, 2021	Jun 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020	Mar 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	Unaudited	Unaudited	(Audited)
I	Revenue from Operations	4.38	4.38	5.09	8.76	10.18	16.59
II	Other Income	16.68	-	0.66	16.68	1.33	9.01
III	Total Income (I+II)	21.06	4.38	5.75	25.44	11.50	25.60
IV	Expenses						
	Employees benefit costs	2.47	2.83	3.15	5.30	5.12	9.72
	Finance costs	-	-	0.01	-	0.05	0.17
	Depreciation and Amortisation Expense	0.20	0.21	0.26	0.41	0.51	1.03
	Other Expenses	14.46	13.51	9.89	27.97	20.51	50.23
	Total Expenses (IV)	17.13	16.55	13.31	33.68	26.20	61.15
V	Profit/(Loss) before Tax (III-IV)	3.93	(12.17)	(7.56)	(8.24)	(14.70)	(35.55)
VI	Tax Expense:						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-
	Tax Adjustment of Earlier Years	-	-	-	-	-	-
	Total Tax Expenses (VI)	-	-	-	-	-	-
VII	Net Profit or / (Loss) for the period (VII-VIII)	3.93	(12.17)	(7.56)	(8.24)	(14.70)	(35.55)
VIII	Other Comprehensive Income (Net of tax)						
	a) Items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
	b) Income tax relating to items that will not be reclassified profit or loss	-	-	-	-	-	-
	c) Items that may be recycled to profit or loss	-	-	-	-	-	-
	d) Income tax relating to items that may be reclassified to profit or loss	-	-	-	-	-	-
	Total of Other comprehensive income / (Expense) (VIII)	-	-	-	-	-	-
IX	Total Comprehensive Income for the period /year (VII-VIII)	3.93	(12.17)	(7.56)	(8.24)	(14.70)	(35.55)
X	Paid-up Equity Share Capital (Face Value of Rs 10 Per Share)	24.72	24.72	24.72	24.72	24.72	24.72
XI	Reserves excluding revaluation reserves						(83,625.40)
XII	Earning per Equity Share (EPS) (Face Value of Rs 10 Per Share)						
	a. Basic and diluted EPS	1.59	(4.92)	(3.06)	(3.33)	(5.95)	(14.38)
	* Not annualised						

For S. M. Bhingarde & Co.

S M Bhingarde
Proprietor

For MACKINNON MACKENZIE & CO.LTD.

S Borate

MR. SAMPAT V. BORATE
DIRECTOR
DIN NO. 06929702

PLACE: MUMBAI
DATE : 12TH NOVEMBER 2021

Membership No.
40170



NOTES

- 1 The unaudited standalone financial results for the quarter and half year ended 30th September, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors of the company as its meeting held on 12th November, 2021. The statutory auditors have carried out a limited review of the standalone financial results for the quarter and half year ended 30th September, 2021.
- 2 The above unaudited standalone financial results have been prepared in accordance with guidelines issued by the Securities and Exchange of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- 3 The Company had borrowed amounts from its bankers aggregating to Rs 825.61 Crs including interest . Since said amounts were not repaid, Bankers approached Debt Recovery Tribunal. 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 "Lending 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 "Lending Company" in place of the banks. The Hon. Bombay High Court had passed a decree in two of the suits filed in favour of the said "Lending Company" to dispose off/sell the immoveable property and flats belonging to the company to recover its dues. Total amount due to the "Lending Company" as per the decree as on 30th September 2021, together with interest is Rs.3,281.15 Crores (inclusive of interest Rs. 103.10 Crs. for the quarter). The Lending Company has given an unconditional deferment of its loans upto March 31, 2023 and accordingly this loan due to the "Lending Company" is classified as Non Current .
- 4 60 Clerical workers and 35 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 08th March 1996. The company had filed an appeal with the High Court against the said 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 workmens. 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 workmens. However, there are no further orders on this. The Company had deposited an adhoc sum of Rs.32 lakhs with the Registrar, Bombay High Court. The said amount of Rs. 32 lakhs is included in Advances other than Capital advances. 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. Total amount due to the said 7 concerned workmen as at 30th September 2021 aggregating to appx Rs 1.46 Crs (including interest), inclusive of 0.02 Crs. for this quarter, is not provided for.
- 5 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.
- 6 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.
- 7 Figures for previous periods have been regrouped and reclassified, wherever necessary
- 8 The Company operation is one segment, hence no separate reporting is given

For MACKINNON MACKENZIE & CO.LTD.

For S. M. Bhingarde & Co.

PLACE: MUMBAI

DATE : 12TH NOVEMBER 2021

MR. SAMPAT V. BORATE

DIRECTOR

DIN NO. 06929702



Membership No.
40170

MACKINNON MACKENZIE AND COMPANY LIMITED

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

Email : mmcladv@yahoo.co.in Website : www.mmclimited.net

CIN NO. : L63020MH1951PLC013745

NOTES : 1

STATEMENT OF UNAUDITED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

	(Rs. In Lacs)	
	As At Sep 30, 2021	As At Mar 31, 2021
Particulars		
ASSETS :		
Non - Current Assets		
(a) Property, Plant and equipment	11.17	11.58
(b) Capital work-in-progress	-	-
(c) Right of Use- Lease assets	-	-
(d) Intangible Assets	-	-
(f) Financial Assets	-	-
i) Investments	3.02	3.02
ii) Loans	-	-
iii) Other Financial Assets	5.44	107.99
(g) Non-Current Tax Asset (Net)	-	-
(h) Other Non-Current Assets	-	0.42
	19.63	123.01
CURRENT ASSETS :		
(a) Inventories	-	-
(b) Financial Assets		
i) Investment	0.05	0.05
ii) Trade Receivable	497.04	510.66
iii) Cash and Cash Equivalents	3.81	3.53
iv) Bank Balance	101.97	5.25
v) Loan	-	-
vi) Other Financial Assets	6.10	0.43
(c) Other Current Assets	45.41	48.05
	654.38	567.97
TOTAL ASSETS	674.01	690.98
EQUITY AND LIABILITIES :		
EQUITY :		
(a) Equity Share Capital	24.86	24.86
(b) Other Equity	(83,633.64)	(83,625.40)
	(83,608.78)	(83,600.54)
LIABILITIES :		
Non - Current Liabilities		
(a) Financial Liabilities		
Long Term Borrowings		
i) Secured Borrowings	82,561.29	82,561.29
ii) Unsecured Borrowings	-	-
iii) Other financial liabilities	-	-
(b) Provisions	27.56	27.56
(c) Deferred tax liabilities (net)	-	-
(d) Liabilities for Current Tax (Net)	1.56	-
	82,590.41	82,588.85
Current Liabilities		
(a) Financial Liabilities		
i) Secured Borrowings		
ii) Unsecured Borrowings		
iii) Lease Liability		
iv) Trade Payables	1,207.25	1,219.79
v) Other Financial Liabilities		
iii)	-	-
(b) Other Current Liabilities	485.14	482.89
(c) Provisions	-	-
	1,692.39	1,702.68
TOTAL EQUITY AND LIABILITIES	674.01	690.98



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NOTES : 2

Unaudited Standalone Cash Flow Statement for the half year ended September 2021

Particulars	Rs. In lacs		Rs. In lacs	
	For the half year ended September 30, 2021		For the half year ended September 30, 2020	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit/(Loss) before Tax		(8.24)		-14.70
Adjustment for :				
Depreciation	0.41		0.51	
Interest expense	-		0.05	
Interest received	(0.12)	0.30	-	0.57
Operating Profit(Loss) before working capital changes		(7.94)		(14.13)
Adjustment for :				
Trade and Other Receivables	16.83		2.96	
Trade Payables	(8.72)	8.10	(12.23)	(9.27)
NET CASH FLOW FROM OPERATING ACTIVITIES		0.16		(4.86)
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Asset	-		-	
Interest received	0.12	0.12	-	-
NET CASH FROM INVESTING ACTIVITIES		0.12		-
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Interest paid	-	-	(0.05)	(0.05)
NET CASH FROM FINANCING ACTIVITIES		-		(0.05)
NET INCREASE/DECREASE IN IN CASH & CASH EQUIVALENTS		0.28		-4.91
Cash and Cash Equivalents at the beginning of the year		3.53		17.62
Cash and Cash Equivalents at the end of the year		3.81		12.71
Components of Cash and Cash Equivalents:				
Cash on Hand		0.02		0.02
Other Bank Balances				
- On Current Accounts		3.78		12.69
		3.81		12.71

For S. M. Bhingarde & Co.

S M Bhingarde
Proprietor

For MACKINNON MACKENZIE & CO.LTD.

S B Borate

PLACE: MUMBAI

DATE : 12TH NOVEMBER 2021

MR. SAMPAT V. BORATE

DIRECTOR

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