

Limited Review Report on quarterly and year to date standalone unaudited financial results of Mackinnon Mackenzie And 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.

1. We have reviewed the accompanying a statement of unaudited standalone financial results ("the Statement") of M/s. Mackinnon Mackenzie & Company Limited (the "Company") for the quarter and nine months ended 31st December 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

Management's responsibility

2. The 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.

Auditor's responsibility

3. 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. 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.

- 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 31st December 2020. 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 2985.40crores as on 31st December 2020. No provision is made in respect of additional amount due to the company as per decree amounting to Rs. 2223.41crores.

- 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 up to 31st December 2020 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 the Ind AS 19 Employees Benefits (the Standard).



- VIII. The investments made at Kolkata Rs 56000/- are presently not available for verification as the building is destroyed by fire.

Conclusion

4. 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, 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 there under 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.

Our conclusion on the Statement is adverse in respect of matters stated at Serial Numbers I to VIII in Paragraph 3 above.



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

S M Bhingarde

S.M. Bhingarde
Proprietor
M.No 40170
UDIN: 21040170AAAAAH1034

Place: Mumbai.
Dated: 5th February 2021

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							
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020							
(Rs. in Lacs except shares data)							
Sr. No.	Particulars	Quarter ended 31st Dec'2020 (Unaudited)	Quarter ended 30th Sep'2020 (Unaudited)	Quarter ended 31st Dec'2019 (Unaudited)	Nine months ended 31st Dec'2020 (Unaudited)	Nine months ended 31st Dec'2019 (Unaudited)	Year Ended 31st Mar'20 (Audited)
I	(a) Revenue from Operations	5.09	5.09	5.38	15.26	18.66	23.36
II	(b) Other Income	0.66	0.66	0.09	1.99	0.23	9.58
III	Total Revenue (I+II)	5.75	5.75	5.47	17.25	18.89	32.94
IV	Expenses						
	a. Cost of Materials Consumed	-	-	-	-	-	-
	b. Changes in inventories of finished goods, work in progress	-	-	-	-	-	-
	c. Employees benefit costs	2.24	3.15	1.95	7.36	6.52	10.03
	d. Finance costs	0.04	0.01	-	0.10	0.05	0.11
	e. Depreciation and Amortisation Expense	0.26	0.26	0.25	0.78	0.76	1.12
	f. Other Expenses	12.26	9.89	9.75	32.76	33.32	51.72
	Total Expenses (IV)	14.80	13.31	11.95	41.00	40.65	62.99
V	Profit/(Loss) before Exceptional Items and Tax (III-IV)	(9.05)	(7.56)	(6.48)	(23.74)	(21.76)	(30.04)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(Loss) before tax (V+VI)	(9.05)	(7.56)	(6.48)	(23.74)	(21.76)	(30.04)
VIII	Tax Expense:						
	a) Current Tax (Net of MAT Credit)	-	-	-	-	-	-
	b) Deferred Tax	-	-	-	-	-	-
	c) Tax Adjustment of Earlier Years	-	-	-	-	-	-
		-	-	-	-	-	-
IX	Net Profit or / (Loss) for the period (VII-VIII)	(9.05)	(7.56)	(6.48)	(23.74)	(21.76)	(30.04)
X	Other Comprehensive Income (Net of tax)						
	a) Items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
	- Remeasurement gain/(losses) on defined benefit plans	-	-	-	-	-	-
	b) Income tax relating to items that will not be reclassified profit or loss	-	-	-	-	-	-
	c) Items that may be recycled to profit or loss	-	-	-	-	-	-
	- Deferred gains/(losses) on cash flow hedges reserves	-	-	-	-	-	-
	d) Income tax relating to items that may be reclassified to profit or loss	-	-	-	-	-	-
	Other comprehensive income / (Expense) for the period/year (Net of Tax)	-	-	-	-	-	-
XI.	Total Comprehensive Income for the period /year (IX-x)	(9.05)	(7.56)	(6.48)	(23.74)	(21.76)	(30.04)
XII.	Paid-up Equity Share Capital (Face Value of ₹ 10/- per share)	24.72	24.72	24.72	24.72	24.72	24.72
XIII.	Other Equity (Reserves excluding revaluation reserve)						(83,589.72)
XIV.	Earning per Equity Share (Face Value of ₹ 10/- per share) (not annualized)						
	a. Basic	(3.66)	(3.06)	(2.62)	(9.60)	(8.80)	(12.15)
	b. Diluted	(3.66)	(3.06)	(2.62)	(9.60)	(8.80)	(12.15)
For S. M. Bhingarde & Co.		For MACKINNON MACKENZIE & CO.LTD.					
PLACE: MUMBAI		MS HETAL PARMAR					
DATE : 5th February 2021		INDEPENDENT WOMEN DIRECTOR					
		DIN NO.07723298					



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 The unaudited standalone financial results for the quarter and nine months ended 31st December, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 5th February 2021. The statutory auditors have carried out a limited review of the standalone financial results for the quarter and nine months ended 31st December, 2020
- 2 The above unaudited standalone financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- 3 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.2985.40 Crores as on 31st December 2020. No further entries are passed in the books for the balance amount due Rs.2223.41 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.
- 4 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.
- 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

PLACE: MUMBAI

DATE : 5th February 2021

For S. M. Bhingarde & Co.*S M Bhingarde***Proprietor****Membership No.
40170**

For MACKINNON MACKENZIE & CO.LTD.

MS HETAL PARMAR

INDEPENDENT WOMEN

DIN NO.07723298

